



# ▶ *News In Review*

## Resource Guide

**NOVEMBER 2008**



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# ***News in Review***

## **Resource Guide**

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November 2008



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### ***News in Review*, November 2008**

#### **1. Canada and the Economic Meltdown**

(Length: 14:07)

#### **2. Americans Choose a New President**

(Length: 14:14)

#### **3. A Community Fights Gangs and Guns**

(Length: 17:36)

#### **4. The Push to Grow More Food in Canada**

(Length: 13:49)

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## In This Issue . . .

### NiR Study Modules

Using print and video material from archival issues of *News in Review*, teachers and students can create thematic modules for independent assignments, and small group study.

### Related CBC Videos

Other videos available from CBC Learning; see the back cover for contact details.

### CANADA AND THE ECONOMIC MELTDOWN (Length: 14:07)

In early October, a global credit crunch that began in the United States spread to Canada. Stocks plunged, and many Canadians began to worry about their savings and whether the country was heading for a recession. In this *News in Review* story we'll look at what caused the credit crunch and how it could affect the Canadian economy.

#### NiR Study Modules

Boom Times in Saskatchewan  
September 2008  
Taking Off: Canada's Soaring Dollar  
November 2007  
Boom Times: Alberta's Red-hot Economy  
May 2006  
Metal Mania: Canada's Mining Boom  
April 2006  
Oil and the Dollar: The Canadian Crunch  
December 2005  
Energy Shock: The Rising Price of Oil  
November 2004  
Rising Oil Prices: The New Energy Crisis  
April 2000

#### Related CBC Videos

*Advantage Canada: Canadian Currency in a Global Marketplace*  
*Made in Canada*  
*Emperors of Avarice: Corporate Greed*  
*Canada's Brands: Can They Compete?*

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### AMERICANS CHOOSE A NEW PRESIDENT (Length: 14:14)

On November 4, Americans went to the polls to choose a new president. The vote came after a long and bitterly contested campaign between the Democratic candidate Barack Obama and Republican candidate John McCain. In this *News in Review* story we'll look at the campaign and what happened when voting day finally arrived.

#### NiR Study Modules

The Campaign for the White House  
March 2008  
U.S. Election: Choosing a President  
November 2004  
U.S. Primaries: Choosing a Challenger  
March 2004  
Bush and Gore: What Went Wrong  
December 2000  
America Votes: Staying the Course  
December 1996  
The U.S. Primaries: The American Way  
April 1996

The New Republicans: The Shift to the Right  
February 1995  
Clinton Wins: Presidents and Prime Ministers, December 1992  
Campaign '92: The American Dream  
September 1992

#### Related CBC Videos

*The Making of a Political Animal*

## **A COMMUNITY FIGHTS GANGS AND GUNS (Length: 17:36)**

Although crime rates in Canada have been going down, gang violence has been increasing. In many Canadian cities young gang members with guns have become a deadly problem. They are not only killing each other, but sometimes innocent people are caught in the crossfire. In this *News in Review* story we'll look at how gangs and guns turned an Alberta community into a war zone and how the community fought back.

### **NiR Study Modules**

Canada's Residential School Apology  
September 2008

Gang Wars: Bloodbath in Vancouver  
February 2006

Guns and Gangs: Toronto Fights Back  
January 2006

Neil Stonechild: The Boy in the Snow  
February 2005

Saving the Native Children, February 2003

The Gun Law: Pro and Con, February 2003

Reena Virk: A Senseless Death, May 2000

Children in Trouble: Guns in Schools  
September 1999

Gun Control: A Law to Stop the Killing  
April 1995

Violence in Schools: Zero Tolerance? April  
1994

The New Criminals: Trigger Happy  
May 1994

### **Related CBC Videos**

*Deathly Silence, A: Black Crime in Toronto  
Lost in the Struggle*

*Reaching Out: Sandy Bay, SK*

*Reds, Whites and Blues*

*Teacher's Challenge: Seven Days in a  
Struggling School*

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## **THE PUSH TO GROW MORE FOOD IN CANADA (Length: 13:49)**

Thanks to modern transportation Canadians can enjoy fruits and vegetables from all over the world. But as the amount of foreign produce continues to increase, the amount of home-grown fruits and vegetables has been going down. In this *News in Review* story we'll look at how one community in Ontario is trying to reverse that trend by getting people to "buy local."

### **NiR Study Modules**

Rising Food Prices Threaten Millions  
May 2008

Genetics in Food: Changing Mother  
Nature, November 1999

Keeping Milk Safe: Canada Bans BST  
March 1999

Mad Cow Disease: The Panic over Beef  
May 1996

### **Related CBC Videos**

*An Organic Food Primer*

*Canada's Brands: Can They Compete?  
Farms INC.*

*Organic Entrepreneurs: Competing with  
Corporate Giants*

*Product of Canada, Eh? Misleading Food  
Labels*



Sections marked with this symbol contain content suitable for younger viewers.

# CANADA AND THE ECONOMIC MELTDOWN

## Introduction

### Focus

In the fall of 2008 the United States' economy was in danger of collapsing. Major U.S. banks had declared bankruptcy, the stock market had dropped to levels not seen since the Great Depression, and hundreds of thousands of people were facing foreclosure on their homes. Since Canada's economy is closely tied to that of the United States, it wasn't long before Canadians began to worry about their own savings and whether or not this country was heading for a recession. In this *News in Review* story we'll look at what caused the economic crisis, how it might affect Canada, and try to predict how it will all turn out.

### Did you know . . .

In the United States, mortgage interest on your house is tax deductible. This often encourages people to take on higher mortgages and thus higher risk.

It was impossible to escape the bad news. Headlines throughout September and October of 2008 talked about a “financial tsunami” and an “economic Pearl Harbour.” What these headlines were referring to was the fact that the U.S. economy was facing collapse. Average citizens were confused. How could the economy collapse? What was going on? And what impact would the economic crisis have on their lives?

These were all good questions, and as the answers started to emerge, public confusion turned to public anger. People became angry because it turned out that the economic problems were seemingly a result of greed and mismanagement on the part of financial institutions in the United States. For years, U.S. banks had been allowing people who had very little money to get mortgages to buy homes. The banks had devised special loans that had very low mortgage payments, payments that would jump dramatically after a couple of years. The banks said that by the time the mortgage payments increased, the value of the person's house would have increased and that the increase in value, or equity, could be used to refinance the home and lower the payments again.

The problem with this risky idea was that it was dependent on continued increases in housing prices. As it turned out, this was not the case. So when the mortgage payments increased, and house prices had not increased, thousands of people could no longer afford their homes. The banks then either foreclosed,

or people just walked away from their homes. In either event, banks were stuck with billions of dollars of bad debt.

Adding to this problem was the fact that the banks had sold off the mortgages to other investors as a way to make even more money. When the mortgages went into default, the investors discovered that their investments were worthless. As a result, large investment banks actually ran out of money, and stocks plummeted in value. This had a major impact on the global economy, because investors and financial institutions in other countries had sunk a great deal of money into the U.S. market.

The U.S. government had to bail out the banks by injecting USD\$700-billion into the economy. Time will tell if it is enough to stabilize the economy. And time will tell if that money is ever returned to American taxpayers.

The Canadian economy is closely tied to that of the United States, so Canadians braced themselves for the worst. Canadian stock markets soon plunged. Although the Canadian stock market has been erratic, by the end of October the economy had remained relatively stable. The Canadian government made its own \$25-billion injection into the economy but refused to call it a bank bailout. In the days following the Canadian intervention, Canadian stock markets recovered somewhat. Observers hope it is enough to prevent the economy from sliding into a recession or worse—a full-fledged depression (severe economic downturn).



# CANADA AND THE ECONOMIC MELTDOWN

## Video Review

### Did you know . . .

The National Community Reinvestment Coalition—an association of more than 600 community-based organizations that promote access to basic banking services to create and sustain affordable housing and vibrant communities for U.S. families—estimates that as many as 1.5 million Americans could lose their homes by the time the economic crisis is over. To learn more about the Coalition’s perspective on the current economic crisis, visit their Web site at [www.ncrc.org](http://www.ncrc.org).

### Pre-Viewing Activity

Before watching this *News in Review* story, select a partner or join a small group and record responses to the following questions.

1. What do you know about the current economic crisis?
2. Has anyone in your family been directly affected by the crisis (for example, lost money in the stock market or been laid off)? If so, describe the situation.
3. Has your family, or anyone else you know, made changes in spending plans because of the economic situation (for example, cancelled plans for a vacation or spent less on important holidays and celebrations)?

### Viewing Activity

Respond to the following questions as you watch the video.

1. When is the last time the economy faced a crisis of this size?  
\_\_\_\_\_
2. Cleveland is a “typical” blue-collar city in the U.S. As a result of the economic crisis, one in 10 homes is in foreclosure there. Describe three things that happen to property after it is foreclosed on.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. Explain how the U.S. residential real estate market is linked to the general economic crisis.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Why does Jim Rokakis, a County Treasurer in Cleveland, say that the residential foreclosures are the result of “fraud on an unprecedented scale”?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



# CANADA AND THE ECONOMIC MELTDOWN

## *The Meltdown*

### Definition

*Fannie Mae* is the nickname of the Federal National Mortgage Association. *Freddie Mac* is the nickname of the Federal Home Loan Mortgage Corporation. Both companies buy loans from banks or mortgage firms and resell them as mortgage-backed securities (investments). Together, they owned or guaranteed about half of all U.S. mortgages.

### Quote

"This really is an economic Pearl Harbour. That sounds melodramatic, but I've never used that phrase before." — Warren Buffet, billionaire and investor *News in Review* video

### Did you know . . .

The current (October 2008) budget deficit for the United States is estimated at \$455-billion. More alarming, the total debt for the U.S. has been set at \$10 000 000 000 000. What is this number in words?

The current economic crisis is the result of a number of factors, most of which originated in the United States. This section begins with a timeline outlining the economic collapse. An in-depth exploration of some of the major factors that led to the collapse follows. All financial figures, unless otherwise stated, are in U.S. dollars.

### Timeline of 2008 Events

**September 7** U.S. government seizes Fannie Mae, Freddie Mac: Fannie Mae and Freddie Mac are the two largest mortgage companies in the United States. The government took control of the companies after they announced an imminent collapse. It is estimated that the mortgage companies held over \$5-trillion in bad debt.

**September 14** Bank of America buys out Merrill Lynch: After Merrill Lynch announces financial difficulty, the Bank of America pays \$50-billion to buy the brokerage house.

**September 15:** Lehman Brothers files for bankruptcy: When this investment bank filed for bankruptcy it was the largest bankruptcy filing in the history of the United States, at an estimated \$639-billion.

**September 17** U.S. government bails out AIG (American Investment Group): The government provides an \$85-billion loan to rescue AIG after they announce they are near financial collapse. The bailout gives the government nearly 80 per cent of the equity in the company.

**September 18** President George W. Bush announces bailout plan: The government unveils a \$700-billion

program to buy hundreds of billions of dollars in bad loans. The Dow posts its biggest rally in six years.

**September 21** Goldman Sachs, Morgan Stanley become bank holding companies: Investment banks Morgan Stanley and Goldman Sachs are transformed from investment banks into bank holding companies to allow them access to government assistance.

**September 26** Washington Mutual collapses: The failed company recently held \$307-billion in assets.

**September 29** Wachovia Bank collapses: The bank (formerly called First Union Bank) collapses and is bought by Citigroup for \$2.1-billion in stock.

**September 29** Bailout package rejected 228-205: The \$700-billion rescue bill drafted by the Bush government is defeated in the House of Representatives.

**September 29** U.S. stock market plunges: As news gets out that the rescue bill is being defeated in the House, the Dow falls 777.68 points. This is the largest one-day point drop in U.S. history. (The Dow is a stock market index that consists of 30 of the largest and most widely held public companies in the United States.)

**October 3** Bailout package becomes law: A new version of the \$700-billion rescue bill is passed by the House of Representatives. The bill, passed by the Senate two days earlier, is signed into law by President Bush.

**October 10** Canadian government takes action: Federal Finance Minister Jim

### Definition

The term *subprime* does not refer to the interest rate being charged on a mortgage. It refers to the risk associated with a borrower. So a subprime mortgage is one that is negotiated between a lender and a customer with a below-average credit rating. Subprime mortgages are risky investments.

### Quote

"Didn't anyone of importance say, 'These kinds of mortgages are wrong. These appraisals are inflated'? Didn't any executive observe that the leverage requirements were so far out of line with banking and securities reserve requirements that they were in effect dangerous and fraudulent? Didn't any brokerage firm or executive crack down on naked short-selling? So far as I can tell, none, or very few, did. Instead, they followed the 'business model' of 'the highest level of short-term profit possible by any means allowable under the law.'"  
— U.S. writer L.E. Modesitt Jr. in his blog ([www.lemodesittjr.com/blogs/blog/index.html](http://www.lemodesittjr.com/blogs/blog/index.html))

Flaherty announces that the Canadian government will provide CAD\$25-billion to banks to ease the credit crunch being experienced by them. Flaherty calls it a prudent economic policy, not a bailout.

**October 23** Canadian government guarantees commercial bank debt: The Canadian government takes steps to guarantee as much as CAD\$218-billion of commercial bank debt to revive lending and match bank bailouts offered by other governments.

### Major Factors Contributing to the Economic Meltdown

#### The Subprime Mortgage Fiasco

Perhaps one of the greatest contributing factors to the current economic crisis was the use of subprime mortgages in the United States. Subprime mortgages are housing mortgages offered to people with poor credit ratings who normally would never be able to buy a house. These people were told that they could buy a house, get a mortgage worth more than the value of their house, and that the bank would keep their mortgage payments very low for the first year or two. After that initial period the mortgage would be reset at prevailing rates. But the lenders said that because the value of the house would have increased in that time period, the equity could be used to refinance the mortgage and keep the mortgage payments low.

It didn't work out that way. As the easy initial mortgage terms expired, interest rates were usually reset at much higher levels. Home prices failed to go up as anticipated, and many Americans simply couldn't afford the higher mortgage payments. As a result, they walked away from the homes, or the banks foreclosed on them, leaving a host of unpaid debt. By 2007, nearly 1.3 million properties were subject to foreclosure in the United

States. This was an increase of over 70 per cent from 2006. It is estimated that up to one quarter of U.S. homes may be worth less than the value of the mortgages on them.

#### Changes in the Financial Industry: Securitization

Alan Greenspan, the former chairman of the U.S. Federal Reserve ([www.federalreserve.gov](http://www.federalreserve.gov)), blames the securitization of home loans for people with poor credit—not the loans themselves—for the current global credit crisis. But what is securitization?

Traditionally, banks loaned money to homeowners for their mortgage and then retained the risk of default of the mortgage. Called credit risk, this meant that if a homeowner defaulted on their mortgage payments, the bank would be on the hook for the default. However, due to changes in the financial industry, banks can now sell rights to mortgage payments to investors through a process called securitization.

The securities that the investors purchase are called mortgage-backed securities, or MBS. This new banking model means that credit risk is distributed broadly to various investors. So if homeowners default on their payments, investors and businesses holding MBS are significantly affected, perhaps finding their investments worthless. The effect of this is magnified if an investor or business carries high debt levels.

#### Questionable Ethics and Greed

Some analysts, including economist and Nobel Prize winner Joseph E. Stiglitz, believe that poor regulation of the financial industry has allowed questionable ethics and greed to flourish. Take for example, the issue of mortgage-backed securities. Due to securitization, a bank that provides a loan does not

**Quote**

“With economic growth currently at a dreary one per cent, there is already an immense gap between what we are now producing and what we could be producing if this crisis had not occurred—a cumulative loss I estimate will be in excess of \$2-trillion.”  
— Joseph E. Stiglitz, Professor of Economics at Columbia University, and winner of the 2001 Nobel Prize in Economics (*Harper’s*, November 2008)

**Quote**

“The story of the credit-rating agencies is a story of colossal failure. The credit-rating agencies occupy a special place in our financial markets. Millions of investors rely on them for independent, objective assessments. The rating agencies broke this bond of trust, and U.S. regulators ignored the warnings signs and did nothing to protect the public.” — Henry Waxman, chairman of the House Committee on Oversight and Government Reform (*International Herald Tribune*, October 22, 2008)

have to hold the risk for that loan. Instead, the bank passes that risk off to other investors. Since the banks no longer carry the loan risk, they actually lower their lending standards to increase the number of loans they award. This practice increased the banks’ profits and resulted in hundreds of thousands of loans being awarded to people who had little hope of repaying them.

**Rating Agencies**

One area of the finance industry that is being accused of corruption by leading economists is rating agencies. A rating agency is a company that grades the quality of securities so that investors

can decide which securities to purchase. A conflict of interest exists between rating agencies and investors, however, because rating agencies are paid by the companies whose financial products they are supposed to evaluate.

It was the large rating agencies in the United States that announced that subprime mortgages were safe enough to be held by pension funds. Stiglitz believes that “without this collusion, the whole system of deception would not have worked; there would not have been the flow of funds that sustained the subprime mortgage industry” (“Realign the interests of Wall Street,” *Harper’s*, November 2008).

**Follow-up**

- 1. Review the timeline of major events and identify the three that you believe played the greatest role in the 2008 economic crisis. Record the events and your reasons for selecting them. Compare your selections with a classmate. Were they similar or dissimilar? Why?

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- 2. Update the timeline with any major events that have occurred since October 23, 2008.

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- 3. Do you believe that the people employed in the financial industry involved in questionable investment deals and practices should be held personally accountable for the current crisis? Why or why not? If you believe they should, what might be a reasonable punishment?

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- 4. How might the financial industry be reformed to prevent this type of economic crisis from occurring again?

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# CANADA AND THE ECONOMIC MELTDOWN

## *The Bailout*

### Quote

"They knew they had to pick a number with a lot of zeros. Eight hundred billion seemed too close to a trillion, so they picked \$700-billion."  
— An unnamed source (quoted in Margaret Wente's column "Financial turbulence: Pass the airsick bags," *The Globe and Mail*, September 27, 2008)

### Definition

A *golden parachute* is an agreement between a company and an employee (usually an upper executive) specifying that the employee will receive certain significant benefits if employment is terminated. These benefits may include severance pay, cash bonuses, stock options, or other benefits.

USD\$700-billion. \$700 000 000. Seven hundred billion dollars. No matter how you write it, it is a lot of money.

### The Rejected Plan

On September 18, 2008, the U.S. government unveiled a plan to buy hundreds of billions of dollars in bad loans to rescue banks and lenders and stabilize the collapsing U.S. economy. Reaction to the bailout package was mixed. Some economists praised the package, saying that it was necessary to prevent greater collapse. But many average Americans were furious about the planned bailout. They viewed the bailout plan—which could theoretically cost each working taxpayer \$5 000—as an outrage. American taxpayers were not responsible for the economic collapse and they resented having to bail out the financial companies and executives on Wall Street who were responsible. Partly because of public outrage, partly because of the rushed nature of the bailout package, and partly because of political squabbling and posturing, the proposed bailout bill was defeated.

### The Accepted Plan

On October 3, 2008, George W. Bush signed a revised version of the original \$700-billion bailout package into law. The bailout plan allows the U.S. government to spend billions of dollars to buy bad mortgage-related securities and other devalued assets held by financial institutions. After the Treasury buys up those troubled mortgages, it will

try to resell them to investors. The belief is that, if successful, the package should allow frozen credit to begin flowing again and prevent a serious recession.

Some of the highlights of the plan include:

- The bill authorizes \$700-billion for the program. The Treasury Secretary has immediate access to the first \$250-billion. Following that, an additional \$100-billion can be authorized by the President. The last \$350-billion has to be requested through Congress.
- The Treasury will seek to implement a plan that is designed to maximize assistance for homeowners and encourage the servicers of the underlying mortgages to take advantage of available programs to minimize further foreclosures.
- Any company receiving more than \$300-million from the Treasury would face limits on the compensation paid to their executives and "golden parachutes" for departing leaders.
- The Treasury department will establish a federal insurance program, funded by the banks, that would guarantee banks and other firms against loss from any troubled asset.
- The cap on federal deposit insurance will rise from \$100 000 to \$250 000 per bank account.
- About \$110-billion in tax breaks will be aimed at small businesses and the middle class.



# CANADA AND THE ECONOMIC MELTDOWN

## *Canada's Economic Situation*

### Quote

"The sky is not falling, the sky is still there, the sun is still coming up every day, and the Canadian economy is still functioning."  
— Bank of Canada Governor Mark Carney (*The Globe and Mail*, October 23, 2008)

### Further Research

In early October 2008, the World Economic Forum ranked Canada's banking system as the strongest in the world. Learn more about the Forum at [www.weforum.org/en/about/index.htm](http://www.weforum.org/en/about/index.htm).

Canada's economy is closely linked to that of the United States. In fact, the United States buys three-quarters of Canada's exports. That is a huge percentage. It is understandable then that economic problems in the United States would have a significant impact on the Canadian economy. Once economic problems start in one area, they have a ripple effect through other areas of the economy.

Take the lumber industry, for example. Lumber is one of Canada's chief exports. But when the residential real estate market in the U.S. crashed, Americans stopped building new houses—and they stopped buying lumber from Canada. The Canadian lumber industry then started to lay off workers. The purchasing power of those unemployed workers plummeted—and they stopped shopping. As retail sales declined, employees working in the retail sector were subsequently laid off—and they stopped spending. And so on.

Complicating this process even further is the fact that as the economy starts to slide into a recession, the value of many stocks starts to drop. This hurts investors in the stock market. Those investors aren't just wealthy Canadians; they are also average Canadians who own stocks in their retirement savings and pension plans. Those who have already retired and are drawing on their savings have lost a lot of money. The value of these stocks will likely not recover in their lifetime. As well, as the value of savings and pension plans drop, many Canadians who have not already retired may well have to postpone their retirement. This makes an already tight job market even tighter.

But many economists and observers believe that Canada is in a good position to ride out this economic storm. One reason for this is that Canadian banks are more tightly regulated than those in the United States. As a result, the subprime market share is much smaller. About 20 per cent of all U.S. mortgages are subprime, as compared with five per cent of Canadian mortgages.

Another reason Canada's financial industry is more secure than that of the U.S. is that all high-ratio mortgages in Canada—those with less than 20 per cent down at the time of purchase—must be secured by mortgage insurance. As well, Canadian financial institutions do not finance more than 100 per cent of a home's purchase price, and the value must be verified through a separate appraisal. As a result, Canadian banks do not carry the same level of risky or bad debt as U.S. banks.

Experts give two other reasons why they believe the Canadian economy will be able to ride out this downturn: the unemployment rate remains near a three-decade low and the economy is still slowly growing. Statistics Canada ([www.statcan.ca](http://www.statcan.ca)) reported that in September, Canada recorded 107 000 new jobs. The new jobs were mainly part-time positions in the health-care sector, and most went to young people. Economists warn that statistics like these can be misleading, however, and that it is better to look at job creation over a number of months, rather than focus on one particular month.

One area of the Canadian economy that is still experiencing growth is the resource sector. Resource-rich provinces like Alberta and Saskatchewan

**Quote**

"I think if we don't panic here, we stick on course, we keep taking additional actions, make sure everything we do is affordable, we will emerge from this as strong as ever. We are not going to get into a situation like we have in the United States, where we're panicking and enunciating a different plan every single day." — Prime Minister Stephen Harper, Yahoo Canada News ([http://ca.news.yahoo.com/s/afp/081003/canada/us\\_banking\\_finance\\_canada\\_harper](http://ca.news.yahoo.com/s/afp/081003/canada/us_banking_finance_canada_harper), October 4, 2008)

continue to do well. While the drop in commodity prices will likely slow down development of Alberta's oil sands, a further \$110-billion is still expected to be invested in oil extraction. The Alberta government ran a half-page ad in *The New York Times* in early October to try

to lure American workers north. Brad Wall, the Premier of Saskatchewan, was in Toronto in September trying to persuade new immigrants to move to Saskatchewan because of the economic boom that province is experiencing.

**Analysis**

On October 10, 2008, the federal government announced a \$25-billion takeover of bank-held mortgages. The government stated that this move is not a bailout of Canadian banks.

Instead, the problem in Canada is that the country's financial companies are having trouble getting money to borrow because banks and other lenders in other countries are not offering up enough money. So the government's action is designed to ease the growing credit crunch faced by the country's financial institutions.

In your opinion, does this action by the government support or refute the argument that the Canadian economy is in good shape? Explain your answer. You may want to hold a mini-debate on this issue with a small group of your classmates.

# CANADA AND THE ECONOMIC MELTDOWN

## Activity: The Great Depression of the 1930s

### Further Research

To learn more about Canada during the Great Depression, visit the CBC Digital Archives at [www.cbc.ca/archives](http://www.cbc.ca/archives) and explore the audio-visual files "Devastating dry spells: Drought on the Prairies," "On to Ottawa," "Black Monday hits world stock markets," and "R.B. Bennett: Triumph in Canada's great dark days."

Those of you who have studied Canadian history will be aware that Canada went through a difficult economic depression in the 1930s. This period is now known as the Great Depression. In September and October of 2008, many of the major investment banks in the United States declared that they were bankrupt, and the stock market crashed. This raised concerns among many observers that the world was headed for another great depression, or worse.

Compare the information about the 1930s depression and the 2008 economic crisis in the chart below and then complete the activity that follows.

Factor/Event	1930s Depression	2008 Economic Crisis
<b>Stock-market crash</b>	Historically considered to be the "trigger" of the depression.	Occurred after major investment banks in the U.S. declared bankruptcy.
<b>Reaction to the stock-market crash</b>	Citizens flocked to banks to remove their savings. Citizens wanted to hoard or protect their cash.	Citizens not trying to remove savings, but banks are reluctant to lend money, even to other banks. Banks want to hoard or protect their cash.
<b>Economic recession</b>	Between 1929 and 1933 the U.S. economy shrank by more than 25 per cent.	The U.S. economy is expected to experience a "mild" recession.
<b>Unemployment and poverty</b>	In 1933, unemployment hit 25 per cent. Many of those working had only part-time jobs. At least one in three families did not have enough food to eat.	Unemployment in the U.S. is currently just over six per cent. It is expected to rise to just under 10 per cent.
<b>Government intervention</b>	The government was reluctant to intervene after the stock market and the economy stalled. The president at the time wanted to balance the federal budget. Many economists today believe this helped to push the economy into a full depression.	The government decided to move quickly to bail out the collapsed banks by buying up much of their bad debt. The \$700-million bailout was the largest in history. Even those who disagree with government intervention in the free market believe the bailout was necessary to prevent an economic depression.

Information excerpted from: *The Economist*, October 4, 2008

## Analysis

1. In your opinion, is the economic crisis of 2008 likely to result in another full-fledged depression? Explain.

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2. What is similar about the 1930s depression and the current crisis?

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3. What is different?

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4. How might the experience of the Great Depression help us as we face the current crisis?

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# AMERICANS CHOOSE A NEW PRESIDENT

## Introduction

### Focus

This *CBC News in Review* story focuses on the last lap of the marathon U.S. presidential election race, examining the main candidates, issues, battleground states, and how the result will affect the U.S. and the rest of the world.

### Did you know . . .

In U.S. elections, states are referred to as either “red” for Republican or “blue” for Democratic. This colour code is fairly recent and is believed to refer to two of the colours of the American flag, the other being white. Ironically, in most countries of the world, red is the colour associated with socialist or communist parties, while in Canada it is the Liberals’ colour.

### Quote

“Government should work for us, not against us. It should help us, not hurt us.”  
— Barack Obama  
(*Toronto Star*, August 30, 2008)

On November 4, 2008, Americans voted for Barack Obama as their president in one of the most historic and exciting campaigns in U.S. history. As the U.S. presidential election marathon entered its home stretch in the fall of 2008, it was becoming more likely that Americans were turning to the Democratic Party and its inspiring standard-bearer, Illinois Senator Barack Obama. After eight years of President George W. Bush’s right-wing Republican administration, a growing number of U.S. voters seemed receptive to Obama’s message of “change you can believe in.” For his part, Obama’s Republican challenger, Arizona Senator John McCain, had tried to distance himself from the unpopular Bush and his policies, despite efforts from the Obama camp to tie him to the discredited President. Polls taken during the final weeks of the campaign showed Obama lengthening his once narrow national lead over McCain; Obama’s rallies in pivotal “battleground” states across the nation were attracting huge, enthusiastic crowds. More importantly, however, Obama’s lead over McCain was consolidating itself in the key states that both candidates needed to win in order to secure a majority of votes in the Electoral College, the body that really chooses the U.S. president. Both Obama and McCain were concentrating their efforts in these all-important electoral battlegrounds—states such as Pennsylvania, Florida, Missouri, Ohio, Virginia, and North Carolina. On the other hand, they all but ignored areas of the country where they felt their respective advantages were secure—in Obama’s case large blue states such as New York, California, and his home state of Illinois, and for McCain most of the southern and midwestern red states.

Obama and McCain had squared off in three presidential debates held in the months before the November 4, 2008, election. These contests had seen the two contenders clash over the major issues of the campaign, the most important of which was the dire state of the U.S. economy. Many observers had predicted at the outset of the presidential race that foreign policy, and in particular the unpopular war in Iraq, would dominate the campaign. But the credit crunch, mortgage foreclosures, bank failures, rising unemployment, and serious gyrations in the stock market during the summer and fall of 2008 led most Americans to conclude that economic issues were foremost on their minds. They were looking to the presidential candidates for reassurance and answers. Because of the growing uncertainty, or even panic, over the economy, Obama’s once precarious lead in the opinion polls gained a major boost. Many Americans held President Bush and his Republican administration responsible for the nation’s difficulties. A \$700-billion bailout package the U.S. Congress passed to shore up failing banks and finance companies was widely unpopular, despite the fact that both Obama and McCain supported it as the only alternative to an even deeper economic crisis, possibly even a depression like that of the 1930s.

Both Obama and McCain made an important strategic choice in their selection of a vice-presidential running mate just before their parties’ respective conventions in late summer 2008. Obama named veteran Delaware Senator Joe Biden to share the Democratic ticket with him. He believed that Biden’s experience in foreign policy and appeal to working-class grassroots voters would

strengthen his chances. As for McCain, he made what proved to be a highly controversial choice in selecting first-term Alaska Governor Sarah Palin as his running mate. Palin's folksy appeal, good looks, right-wing views, and relative newcomer status attracted some support, especially among conservative women and the religious right. But many Americans, and media experts in particular, questioned her experience and preparedness for the job. Given McCain's age (72) and the uncertain state of his health, Palin would be only "a heartbeat" from the presidency should the Republicans prevail in November. In her debate with Biden, watched by a record number of Americans, Palin held

her ground but appeared uncomfortable when asked questions that required her to deviate from her well-rehearsed "talking points."

For Canadians, who were temporarily distracted from the ongoing drama south of the border by their own relatively short federal election campaign and its inconclusive result, the U.S. presidential race remained fascinating and relevant. When the final results poured in, Canadians understood that they would have to deal with a new president and administration in Washington that would be focusing on important economic and foreign policy issues, including trade, the economic crisis, border security, and the war in Afghanistan.

## To Consider

1. What evidence was there that a growing number of U.S. voters were turning to Barack Obama and the Democrats in the closing weeks of the U.S. presidential election race?
2. Why was the election decided by the results in a handful of key "battleground" states?
3. Why did Republican presidential candidate John McCain try to distance himself from President George W. Bush's administration in the campaign?
4. What emerged as by far the most important issue in the election? Why?
5. Why was McCain's choice of a vice-presidential candidate so controversial?
6. Why is the U.S. election of such interest and importance to Canadians?
7. In your view, were the results of the election good or bad for Canada? Why?

# AMERICANS CHOOSE A NEW PRESIDENT

## Video Review

### Did you know . . .

U.S. presidential elections are held every four years on the first Tuesday after the first Monday in November. They always occur during leap years.

### Did you know . . .

Unlike in Canada, U.S. television networks are not forbidden to broadcast election results from Eastern states while voters in the West are still casting their ballots. In the case of a landslide for one candidate, this usually discourages voters who planned to support the loser from bothering to go to the polls. But in a close race, it could motivate them more strongly to show up and influence the final result.

Respond carefully to the questions below as you view the video portion of this story.

1. Who was the victor in the 2008 race for the U.S. presidency?

\_\_\_\_\_

2. What characteristics make Barack Obama such a unique politician in the United States?

\_\_\_\_\_

3. What role has the military played in John McCain's life?

\_\_\_\_\_

4. What issue dominated the campaign in its final weeks?

\_\_\_\_\_

5. What is the "L" word? \_\_\_\_\_

6. Who was the vice-presidential candidate for the Republicans \_\_\_\_\_ and Democrats \_\_\_\_\_?

7. In your opinion was Palin a help or a drag on the McCain campaign? Explain.

\_\_\_\_\_

\_\_\_\_\_

8. What role did lingering racism play in the campaign?

\_\_\_\_\_

9. Outline your personal reaction to the results of the recent American election.

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# AMERICANS CHOOSE A NEW PRESIDENT

## *Profiles of the Vice Presidential Candidates*

### Further Research

The March 2008 CBC *News in Review* story "The Road to the White House" contained profiles of presidential candidates Barack Obama and John McCain.

### Quote

"Remember when the world used to trust us? When they looked to us for leadership?"  
— Joe Biden (*Toronto Star*, August 30, 2008)

### Definition

*Bipartisan* is a much-used word in U.S. politics and refers to the practice of two political parties working together to resolve problems or frame legislation.

### Joe Biden, Democrat

When Barack Obama chose veteran Delaware Senator Joseph R. (Joe) Biden to be his vice-presidential running mate shortly before the Democratic Party's national convention in Denver in late August 2008, he opted for someone with an impressive record of legislative experience, especially in the all-important area of foreign policy.

As chair of the U.S. Senate Committee on Foreign Relations ([www.senate.gov/~foreign](http://www.senate.gov/~foreign)), Biden is well versed in a number of foreign-policy issues and is a strong critic of the Bush administration's Iraq policy, even though he initially supported the 2003 U.S. invasion of that country. Biden has held his Senate seat since first winning election in 1972 at the age of 29. Shortly after his election, he faced a major personal tragedy when his young wife, Neilia Hunter, and their infant daughter, Naomi, were killed in a Washington, D.C., car accident, in which Biden himself suffered serious injuries. For a while, he considered leaving politics but was persuaded to stay on in the Senate by a number of prominent Democrats, including veteran Senator Edward (Ted) Kennedy. In 1988, Biden made a bid for his party's presidential nomination. However, he was forced to withdraw from the contest in disgrace after it was revealed that he had plagiarized parts of his speeches from then British Labour Party leader Neil Kinnock. Shortly after that setback, he collapsed from a brain aneurism and had to undergo two major surgeries.

In 2008, he made another attempt to win the Democratic presidential nomination, but withdrew early in the race after failing to attract much support. Although he did not publicly endorse

either of the two main candidates—Senators Barack Obama or Hillary Clinton—he remained in close contact with Obama and agreed to serve as his vice-presidential candidate. Besides the depth of his legislative experience and his ability to forge a bipartisan consensus on a number of key foreign-policy issues, it was believed that Biden's folksy appeal and working-class roots would help Obama in key Northeastern states.

White working-class voters in all-important states such as Ohio and Pennsylvania were not initially attracted to the urbane, intellectual African-American Obama, tending to prefer Hillary Clinton in the primaries held there in the spring of 2008. Biden describes himself as the "Senator from Scranton," referring to the industrial eastern Pennsylvania town where he grew up and has long been an advocate of "bread and butter" issues of concern to working-class voters. Party strategists hoped that Biden's place on the ticket would help to shore up this much-needed base of traditionally Democratic supporters and propel both him and Obama to victory in November 2008.

Biden has gained a reputation for bluntness and plain speaking and sometimes has a tendency to wander off-message, much to the chagrin of Democratic strategists. An unfortunate example of this occurred late in the campaign, when he was addressing a group of influential party fundraisers. Alluding to the likelihood that the newly elected U.S. president would face a major foreign-policy test early in his administration, Biden encouraged his partisan audience to stand behind Obama, given his lack of experience on

**Did you know . . .**

At one time, the husband of Republican vice-presidential candidate Sarah Palin was a supporter of the Alaska Independence Party, which favoured secession of that state from the United States.

the job. McCain and the Republicans seized on this off-the-cuff and hasty comment to reinforce their claim that U.S. voters should be wary of electing someone without extensive experience, especially when the United States faced many enemies in a dangerous world.

**Sarah Palin, Republican**

When John McCain announced that Alaska Governor Sarah Palin was to be his vice-presidential running mate at the end of August 2008, many media commentators and voters alike shook their heads and asked “Sarah who?” Palin was a relatively unfamiliar figure on the U.S. political scene, despite the fact that the conservative magazine the *Weekly Standard* had named her “America’s most popular governor” in 2007. Before being elected Governor of the vast, oil-rich state in 2006, Palin’s only political experience had been at the municipal level, where she served as mayor of the small town of Wasilla, from 1996 to 2002. As Governor, Palin had earned herself a reputation for challenging the entrenched special interests in her own Republican Party and the state itself. She had defeated the incumbent governor, Frank Murkowski, becoming the first woman and, at the age of 42, the youngest person to win the state governorship. In office, she raised taxes on big oil companies and negotiated a deal with a Canadian firm to build a natural gas pipeline linking Alaska to the continental United States.

But Palin’s governorship and vice-presidential campaign were also marked by controversy and scandal. She faced a legislative investigation into her role in the firing of her sister’s ex-husband as a state trooper, which resulted in her being found guilty of an “ethical lapse” if not an actual abuse of her power. Her lavish spending habits, including charging the state for her personal appearances at

religious gatherings and her insistence that her large family entourage travel at public expense to her campaign stops across the country, have also raised eyebrows. Her announcement that her 17-year-old unmarried daughter was pregnant caught some by surprise. The large amount of money the Republican Party spent on her designer outfits and makeup during the campaign appeared to contradict her image as a middle-class wife and mother.

But what concerned most political and media observers, including influential figures in McCain’s own Republican Party, was Palin’s lack of experience at the national level and her apparent inability to address key domestic and foreign policy issues in an informed and knowledgeable way. Her reluctance to appear at news conferences and her uncertain performance in the rare interviews she did give attracted much negative attention, making her the target of political satirists. The popular television show *Saturday Night Live* invited her to make a guest appearance with comedian Tina Fey, whose uncanny resemblance to Palin and ability to mimic her well-rehearsed answers to reporters’ questions created a national sensation.

Before McCain nominated Palin, his acquaintance with her had been very brief. But over the advice of many of his senior advisors, he chose the first-term Alaska Governor because he was convinced that her very lack of experience and low profile on the national political scene might resonate with voters. Republican strategists were counting on Palin’s solid right-wing credentials on social issues such as abortion and gay rights. Her support for guns and an aggressive pursuit of the war on terrorism and the military effort in Iraq would appeal strongly with the conservative Republican base, a voting

**Did you know . . .**

The somewhat elderly John McCain (72) has survived three bouts with cancer. If elected, McCain would have been the oldest person ever to be elected U.S. president. The oldest to date is Ronald Reagan, who was 69 when first elected in 1980. Do you think that a candidate's health or age is a legitimate subject of concern for voters? Explain.

bloc essential for victory. This group of voters had not been overly enamoured of McCain, and it was hoped that Palin's presence on the party ticket would ensure their loyalty. The fact that she was a young, good-looking woman was also seen as an asset, particularly among younger voters and women who might identify themselves with the self-styled "hockey mom" from Alaska. Despite Palin's status as a relative unknown, she had attracted the attention of influential U.S. conservative journalists and political advisors who recognized her strengths and potential appeal over a year before she joined the Republican ticket. One of her most prominent backers, William Kristol, the editor of the *Weekly Standard*, had actually referred to her as his "heartthrob," and right-wing television commentator Rush Limbaugh told her in an interview that he was "in awe of her."

Palin's campaign appearances before adoring Republican crowds were enthusiastic and boisterous, but there

remained serious doubts as to whether her presence on the ticket would prove to be an asset on Election Day. While she certainly had her supporters among the party's right wing of social conservatives, many Americans held grave doubts about her qualifications to assume the vice-presidency and possibly become president should McCain prove unable to continue in the office as a result of age or ill health. Palin's negative numbers in opinion polls rose steadily in the closing weeks of the campaign, and despite the media attention and undeniable enthusiasm her candidacy had generated, it remained far from clear that she would win a significant number of much-needed new voters to the Republican ticket.

Source: "Joe Biden" and "Sarah Palin," *The New York Times* online, <http://topics.nytimes.com>, "Biden's brief," by Ryan Lizza, *The New Yorker* online, Oct. 20, 2008, and "The insiders" by Jane Mayer, *The New Yorker* online, October 27, 2008, [www.newyorker.com/reporting/2008](http://www.newyorker.com/reporting/2008)

## Analysis

1. What are the main strengths and weaknesses that vice-presidential candidates Joe Biden and Sarah Palin brought to their parties' respective tickets?
2. In what ways are both Biden and Palin different from their running mates, Barack Obama and John McCain?
3. Why did Sarah Palin attract so much media attention after she was nominated to be the Republican vice-presidential candidate? Do you think this attention was mainly positive or negative? Why?
4. What kind of president do you think a) Biden and b) Palin would make, should either of them have to assume the office? Be specific.

# AMERICANS CHOOSE A NEW PRESIDENT

## *The Main Issue: The Economy*

### Quote

"It is that promise that sets this country apart—that through hard work and sacrifice, each of us can pursue our individual dreams but still come together as one American family, to ensure that the next generation can pursue their dreams as well."  
— Barack Obama in his nomination acceptance speech on August 28, 2008

The uncertain and increasingly worrisome state of the U.S. economy emerged as by far the most important issue in the presidential election race during its final weeks. Few observers of the campaign would have predicted this early in 2008 when the first state caucuses and primaries were being held. At that time, the U.S. economy was performing well and growing strongly, trends that were viewed as clearly favouring the Republicans' chances of holding on to the White House in November. But since then, an implosion in the U.S. mortgage market, triggering a wave of foreclosures and rising financial insecurity, led to a major economic crisis affecting the stock market and consumer confidence. Along with this, rising gas prices and unemployment placed a growing number of Americans in a position of grave economic instability, leading some to fear that the much-predicted recession was going to lead to a full-blown economic depression akin to that of the 1930s. The rate of growth in the U.S. economy slipped from four per cent to 0.6 per cent in the final two quarters of 2007, rebounding to 0.9 per cent in the first quarter of 2008 and 3.3 per cent in the second. But along with this, American businesses were struggling with higher prices for raw materials, declining sales, and slumping export markets for their goods.

According to an opinion poll conducted by the Pew Research Centre ([pewresearch.org](http://pewresearch.org)) in August 2008, almost 90 per cent of Americans stated that the state of the economy would be a very important factor influencing their choice of presidential candidates. This appeared to provide an advantage to Democratic challenger Barack Obama over John McCain, his Republican opponent. Many Americans held the discredited administration of President George W.

Bush largely responsible for not dealing effectively with the nation's economic woes, and they linked McCain, a fellow Republican, to these failed policies and inaction. Bush acted to resolve the subprime mortgage crisis, in which many Americans were losing their homes after falling behind in their monthly mortgage payments, and actually took over two large mortgage companies because of the risks they had posed to the economy. But to a growing number of Americans, Bush's measures were a case of "too little, too late." They were also skeptical of McCain's promises to fix the economic mess with his promises of tax cuts and curbs on government spending.

For his part, Obama was promoting tax relief for middle- and working-class families while vowing to roll back the Bush tax cuts for corporations and the wealthy. He also called for an overhaul of the nation's failing health-care system and a renegotiation of trade deals, including NAFTA, to protect American jobs in the vulnerable manufacturing sector of the economy. As senators, both candidates voted in favour of a controversial \$700-billion bailout package passed by both houses of the U.S. Congress to rescue failing banks and financial institutions from collapse. Despite the fact that many Americans resented their government's use of tax revenues to come to the aid of the bankers while they were suffering economic hardship, both Obama and McCain defended their positions, arguing that the alternative to the bailout package would be an economic meltdown similar to the great stock-market crash of 1929.

Obama's case was strengthened by the widely held perception that the policies of the Republican administration of President Bush had generally favoured the interests of the rich of Wall Street

rather than those of the middle-income Americans of Main Street. The rising levels of economic inequality in the country, especially the fact that the incomes of the top one per cent of Americans equaled those of the bottom 20 per cent, gave credence to Democratic allegations that the wealthy had benefitted inordinately from Bush's tax policies. On the other hand, McCain's repeated statements that the fundamentals of the U.S. economy were strong did little to reassure anxious voters that he was really in touch with their concerns. One significant and potentially disturbing aspect of the current U.S. economic crisis was the rise in protectionist sentiment in the country and the growing tendency among some hard-pressed American workers to blame foreign countries and immigrants for their problems.

Although the serious state of the economy had established itself by far as the central issue of the final months of the U.S. presidential election campaign, the candidates were also debating other topics. Among the most important of these were foreign policy questions such as how to end the war in Iraq, how to deal with the potential nuclear threat posed by Iran, and how to crush the growing Taliban insurgency in Afghanistan. At the same time, Obama and McCain also expressed conflicting views and positions on other issues such as national security, health-care and educational reform, climate

change, immigration, and abortion. The traditional "left-right" divide between the Democratic and Republican parties on such issues remained reasonably clear, although the polarization of opinion in the country, especially on social issues such as abortion and gay rights, appeared to be less intense than in the 2004 election. In that race, President Bush and his chief political strategist, Karl Rove, had energized the right-wing, evangelical Christian components of the Republican base to turn out en masse to ensure their hold on the White House. But four years later, with growing apprehension about the economy and increasing hostility to big business and the political party that appeared to be favouring its interests, the tide seemed to be rising for Barack Obama and the Democrats, particularly in the parts of the country that had been hit hardest by the economic slump. And McCain's late-campaign accusations that Obama was a "socialist" whose proposed tax increases on wealthy Americans would "spread the wealth around" did not strike much of a chord outside the traditional Republican base of right-wing voters who were backing him anyway.

Source: "Vote USA 2008 issues: Economy," and "US election issues guide," BBC News online, <http://bbc.co.uk>, and "Maybe the rich are the problem," by Linda McQuaig, *Toronto Star* online October 21, 2008, [www.thestar.com](http://www.thestar.com)

## Inquiry

1. Why was it surprising to many observers that the state of the U.S. economy emerged as the most important issue of the 2008 election campaign?
2. Why were John McCain's links to President Bush a liability for him during the campaign?
3. What were the main factors leading to growing concern about the health of the U.S. economy? How did both Obama and McCain seek to address them in their policies?
4. Why did economic issues likely give Obama the advantage over McCain in the election?
5. In your view, how might U.S. economic woes affect Canadians?

# AMERICANS CHOOSE A NEW PRESIDENT

## *A Tale of Two Battleground States*

### Note

This section of *News in Review* was written in the days before the election results were tallied.

### Did you know . . .

Besides voting for the next president, U.S. voters will also be casting ballots for all 435 members of the House of Representatives and 34 of the 100 senators. In addition, many states will also be electing governors and state representatives. In California, voters will be asked to vote on a number of ballot initiatives or propositions, similar to referenda in Canada.

Although Americans in all 50 states plus the District of Columbia will cast ballots in the presidential election, the residents of a few key “battleground” states where the contest is close are the only people likely to see much of the candidates during the last weeks of the campaign. This is because the new president will not be elected by the direct popular vote of all U.S. citizens. Instead, the winner will be decided by a majority of votes in the Electoral College. This body, unique among Western democracies, was created under the U.S. Constitution as a way of guaranteeing the rights of the states to have a major say in determining who would become president. The U.S. Founding Fathers also intended it to serve as a check against the will of the majority, which they feared might sometimes lead to unfortunate or even dangerous results if the president were to be elected directly by national popular vote.

The Electoral College consists of 538 members, and each state has a number of electoral votes equal to its total representation in the two houses of the U.S. Congress. Since each state has two senators and a number of members of the 435-seat House of Representatives based on its population, larger states such as California, New York, Illinois, Texas, and Florida are of far greater electoral significance than smaller ones like Rhode Island and Wyoming. The District of Columbia, which has no seats in Congress, receives three electoral votes. A simple majority of 270 electoral votes is enough to win the presidency, and it is mathematically possible to be elected president by carrying only 11 of the largest states while losing all the rest. This is because in all but two states

(Maine and Nebraska) electoral votes are allocated to the successful candidate on a “winner-take-all” basis.

The two most populous states with the largest number of electoral votes are California and New York, and both are regarded as solidly “blue,” or Democratic. It would be a major upset if John McCain were to carry either of them in the 2008 election. Conversely, another large state, Texas, is just as firmly in the “red,” or Republican, camp, as are many other smaller states in the South and Midwest. This all means that the race for the White House tends to focus on a relatively small number of “swing” or “battleground” states that could go either way and whose votes will determine the winner of the election. Among these are Florida, Ohio, Colorado, Missouri, Iowa, Nevada, and Virginia. Here is a profile of two of the most important ones—North Carolina and Pennsylvania—and how they were likely to vote on November 4, 2008.

### North Carolina: From Red to Blue?

The “Tar Heel” state of North Carolina has been generally considered safe territory for the Republicans, but this may not be the case in 2008. The last time the Democrats carried this state was in 1976, when a fellow southerner from nearby Georgia, Jimmy Carter, won it. Since then it has been solidly Republican, with George Bush capturing it by 12 per cent over John Kerry in 2004. North Carolina is a conservative Southern state, but its electoral demographics are changing in a way that may favour Barack Obama in 2008. Although some parts of the state are enjoying an economic boom, many other areas have suffered from a sharp

decline in traditional manufacturing industries such as textiles and furniture making. For many years, North Carolina was represented in the U.S. Senate by Jesse Helms, a one-time champion of racial segregation and one of the most conservative members of Congress. But times are definitely changing in the state, where Democrats gained seats in Congress in the 2006 elections. Black voters, who comprise a significant minority of North Carolina's population, are energized by Obama's candidacy and are expected to cast their ballots for him in record numbers. Young voters who are concentrated in university towns like Charlotte, Chapel Hill, and Winston-Salem are also strongly leaning toward the Democratic candidate. And in the affluent Research Triangle Park in the Raleigh-Durham area, home to the state's growing high-tech industry, Obama's message of change resonates with the young professionals who have moved there recently.

Polls toward the end of the campaign showed Obama pulling ahead of McCain in this once bedrock Republican state, to the surprise of many local political observers. In the words of James Bennett, the editor of the Fayetteville, NC, *Independent Tribune*, "Jesse Helms must be turning over in his grave at the prospect of Obama winning the state's 15 electoral votes. The Republican stranglehold that elected Helms to five terms in the Senate no longer exists." About 600,000 new voters registered to cast ballots in this year's election, a record for the state. Most of them are Democrats. Obama has devoted large amounts of money to blanket the state with television advertisements and has established a strong ground crew to deliver the vote on Election Day. While North Carolina is still considered too close to call, the long lines of people waiting to vote early may be a sign

of how the result will go. Said Maria Adams, the owner of a local employment agency in Greensboro, who lined up for well over an hour to cast her ballot for Barack Obama, "it's worth it. McCain is too hard-line and too old and too erratic. He's out of touch with what matters today, which is the economy."

### **Pennsylvania: McCain's Last Stand?**

During the last two weeks of the presidential campaign, John McCain devoted a great deal of his attention to winning Pennsylvania, a generally Democratic state with 21 electoral votes. He visited the state many times, despite the fact that no Republican has succeeded in winning it since George H.W. Bush carried it in 1988. McCain's choice seemed strange since the opinion polls pointed to a double-digit Obama lead over him in Pennsylvania. But Republicans still believe they have a chance of turning this blue state red, something they must do if they are to have any hope of winning the election and offsetting anticipated losses in other states that George W. Bush carried in 2004, such as Colorado, New Mexico, and Iowa.

Pennsylvania is a state that contains large urban centres such as Philadelphia in the east and Pittsburgh in the west, with a large stretch of small towns and rural areas in the middle. While Obama is expected to sweep Philadelphia, with its large African-American vote and liberal suburbs, the rest of the state may be more fertile ground for McCain. During the Democratic primary in late April, Hillary Clinton trounced Obama by gaining the votes of rural and small-town, white, working-class voters, many of whom are social conservatives and some of whom may even have trouble supporting a black candidate for president. John Murtha, a Democratic Congressman who represents a western

Pennsylvania area, even went so far as to suggest that some of his constituents are actually racist. And state Governor Ed Rendell, a one-time backer of Hillary Clinton, has urged the Obama camp to devote more resources to securing the state in the Democratic column by making the candidate himself more visible there.

For his part, McCain has aggressively taken his message of lower taxes and less government to the conservative western part of the state and has championed his folk-hero, an Ohio man nicknamed “Joe the Plumber” as a symbol of working-class resentment against high taxes and big government. His running mate, Sarah Palin, has also made many campaign stops in the state. McCain strategist Mark Salter believes that former Clinton supporters are ripe for the picking and may be won over to the Republican side. But the state’s economic woes are considerable, with traditional manufacturing jobs in many parts of Pennsylvania rapidly disappearing. And a surge in new voter registration should also help the Democrats.

Although Senator Bob Casey, a strong Obama supporter, is “cautious” about his home state, he believes that “there seems to be something different about this whole effort. The dynamic has changed dramatically, not just around the country, but in particular in Pennsylvania, because of the economic situation.” Casey thinks that older white voters, who may have harboured some initial skepticism toward Obama, have been won over after seeing him perform well in the three debates with McCain. As the campaign entered its final two weeks in late October, Pennsylvania appeared to be one of a rapidly dwindling number of blue states where the Republicans believed they still had a chance of staging an upset.

Source: “Q&A: U.S. presidential election,” and “The shifting election battleground,” BBC News online, <http://newsvote.bbc.co.uk>, “In Bush stronghold, Obama pulls even with McCain,” by Katharine Q. Seelye, *New York Times* online, October 21, 2008, and “McCain fights to keep crucial blue state in play,” *New York Times* online, October 22, 2008, [www.nytimes.com](http://www.nytimes.com)

## Analysis

1. What role does the Electoral College play in determining who will become president of the United States? Do you think it is a democratic institution? Why/why not?
2. What are “blue” and “red” states? Why have North Carolina and Pennsylvania been generally considered red and blue respectively?
3. What factors have led to a surge in support for Barack Obama in once traditionally Republican North Carolina?
4. Why does John McCain believe his party still has a chance of capturing Pennsylvania from the Democrats, despite its voters’ traditional loyalty to that party?
5. How did each candidate do in the swing states of North Carolina and Pennsylvania on election night, November 4, 2008?

# AMERICANS CHOOSE A NEW PRESIDENT

## *Activity: The New U.S. President and Canada*

### Opening Discussion

As a class, discuss what you think the impact of a new American president will be on Canada-U.S. relations. How will this country's relationship with its large neighbour and most important trading partner change with Barack Obama in the White House? Which of the presidential candidates was more popular among Canadians, and why do you think this was so? How will the newly re-elected Prime Minister Stephen Harper relate on a personal and political level to President Obama? Do you think Canada's relationship with the U.S. will change in a positive or negative direction with the new President? Why?

### Researching the Issues

Form groups to research the following issues of importance to the state of Canada-U.S. relations:

- a) Trade and NAFTA
- b) The war in Afghanistan
- c) Climate change
- d) Border security
- e) The economic and financial crisis

Each group should prepare and present a summary of the information it was able to gather on these issues and evaluate how the new U.S. President and Prime Minister Stephen Harper are likely to deal with them when they first meet, probably sometime in early 2009.

### Writing a Letter to the New President

Write a letter to the new U.S. President, expressing your reaction to his election and what policies you would like to see him pursue during his administration, with particular reference to issues concerning Canada and Canadians. Provide an e-mail address if possible, since letters to the White House are usually acknowledged.

Mail:

The White House NW  
1600 Pennsylvania Avenue  
Washington, DC 20500

Phone Numbers

Comments: 202-456-1111

FAX: 202-456-2461

E-mail: [comments@whitehouse.gov](mailto:comments@whitehouse.gov)

# A COMMUNITY FIGHTS GANGS AND GUNS

## Introduction

### Focus

The shooting of Asia Saddleback on the Samson Cree Reserve in Hobbema, Alberta, thrust the national spotlight on Aboriginal gangs. This *News in Review* story examines the problems in Hobbema as well as the gang problem across Canada.

Two-year-old Asia Saddleback was eating a bowl of soup at her family's kitchen table when a bullet ripped through the side of her house, striking her in the stomach. Asia was taken by air ambulance to an Edmonton hospital. The bullet hit her kidney and her spine, but the resilient girl survived—despite the fact that doctors were unable to remove the bullet. Within days, two teenage boys, one 15 and one 18, were charged in the drive-by attack. While it was clear the boys didn't intend to shoot Asia, police struggled to find out why they fired on the house in the first place. The incident horrified people living in Hobbema, and soon all of Canada would learn of the serious gang problem in the small Alberta town.

### Hobbema, Alberta

Hobbema is a town of about 12 000 people located within a one-hour drive south of Edmonton. It is the home of four First Nations communities, including the Samson Cree reserve where Asia lives with her family. What might come as a surprise to most Canadians is that the RCMP office in Hobbema is arguably the busiest police detachment in all of Canada. They are dealing with a high volume of violent crime brought on by Hobbema's 13 gangs, who are fighting for drug turf in the town. In fact, Hobbema has the highest ratio of gang members in Canada, with 18.75 members for every 1 000 people living in the town (compared with Toronto's 1.15 members for every 1 000 people) (*Toronto Star*, July 20, 2008). Of all calls received by the RCMP, two-thirds of them come from the Samson Cree reserve. How did a town of 12 000 become a gang hub, producing so much violence in such a concentrated area?

### Descent Into Chaos

The descent of Hobbema into chaos can be traced to a number of factors: substance abuse, shattered families, poverty, unemployment, and the erosion of Aboriginal traditions to name a few. Couple these socio-economic factors with evidence of systemic racism (much of which was revealed in the now defunct residential school system that openly tried to destroy Aboriginal culture over its 100-year history) and it becomes clear why First Nations communities are in what seems to be a state of perpetual crisis. Hobbema appears to be the current epicentre of this crisis, as an array of troubles have hit the town.

### Squandered Cash

One would think that Hobbema would be sitting pretty. Located on prime Alberta oil land, local residents have historically been the beneficiaries of royalty money collected by the federal government and redistributed to each citizen of the town. Instead of saving the money, most residents squandered the cash, going on shopping sprees—with more than a few spending their money on drugs, drinking, and gambling. Despite the fact that oil revenues on the reserve have been steadily declining, Aboriginal youth still manage to receive a large, lump sum royalty payment when they turn 18. Candace Saddleback, Asia's mother, received a cheque for \$234 000 when she turned 18 and she has nothing left to show for it. This is common in Hobbema.

### Gang Formation

The royalty cheques are one way that gangs are putting Hobbema's youth under their control. Drug dealers give kids under 18 free drugs for years on condition that they pay for the drugs

### Further Research

To learn more about the RCMP, consider a visit to the official Web site at [www.rcmp-grc.gc.ca](http://www.rcmp-grc.gc.ca).

when they get their royalty cheque when they turn 18. By the time the dealers come to collect, many of the youth are fully fledged gang members who willingly turn over their mountain of cash. With over half of Hobbema's population under the age of 18, gangs have no shortage of targets on which to set their sights. The gang life inevitably draws the attention of the police, and many of Hobbema's youth find themselves in young offenders' institutions or, after they turn 18, provincial and federal prisons. It is in prison that gang members get their real education. Surrounded by other professional criminals, novices enter incarceration ignorant and leave with skills that will serve them in their later criminal endeavours.

Once released, gang members return to their surrogate families—the gang itself—and Hobbema has no shortage of places for gang members to find a safe haven. With 13 known gangs in the town, many of which are on the Samson Cree reserve, the RCMP have their hands full keeping a lid on the high level of violence brought on by the gangs. Whether it's Redd Alert, the Alberta Warriors, the Indian Posse, or one of the up-and-coming gangs, Hobbema is a community held on the ropes by the two-punch combination of violence and intimidation.

### Analysis

1. What shooting incident forced the people of Hobbema to see that they have a serious gang problem?
2. In one or two sentences, describe the gang problem in Hobbema.
3. How did the gangs manage to form in Hobbema? Describe the process.
4. What would you do if you knew you were going to receive a \$200 000 cheque when you turned 18? Do you think you would spend the money wisely?
5. How is the community fighting back? Describe some of their initiatives. Do you think these strategies will work?
6. What can we learn from the Hobbema gang experience?
7. Describe any gang activity of which you are aware in your own community.

### Community Activism

In the meantime, the citizens of Hobbema have rallied together in response to the shooting of little Asia Saddleback. Abandoned homes are being torn down to prevent the gangs from turning them into crack houses. Graffiti, one of the main ways that gangs use to mark their turf and communicate their messages, is being painted over almost as soon as it goes up. In the summer of 2008, the RCMP declared a four-month gun amnesty, allowing gang members to turn in their weapons and ammunition without being charged with weapons offences. Despite these measures, Hobbema is still mired in gang violence, with almost daily reports of shots being fired and three gang-related shooting deaths in the summer of 2008.

### Conclusion

Hobbema has become the flashpoint for communities rallying to keep gangs from taking over their neighbourhoods. The gangs didn't just show up one day and declare Hobbema to be their own. They established themselves over time, feeding on the general state of decay on the reserves and capitalizing on the oil money that many people were happy to party away. While lessons can be learned from Hobbema, it will be interesting to see if anyone is taking note.

# A COMMUNITY FIGHTS GANGS AND GUNS

## Video Review

Watch the video and complete the following questions.

1. How many gangs are fighting it out for drug turf in Hobbema, Alberta? \_\_\_\_
2. Describe the shooting incident that sent Hobbema residents into a state of shock and anxiety.

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3. What is meant by the expression "collateral damage"?

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4. a) Why did Candace Saddleback receive \$234 000 when she turned 18?

b) Reporter Mark Kelley says, "An entire generation was raised on easy money, making them an easy target for trouble." What kind of trouble came to Hobbema both before and after the oil industry royalties?

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5. Why did the Indian Posse allegedly burn down a house that the police took over after a drug raid?

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6. How are the Samson Cree band working with the police to take back the community from the gangs?

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7. Why did Constable Curtis Huculak receive a Medal of Bravery?

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8. a) How old was Lawrence Crier when he joined the Indian Posse? \_\_\_\_\_

b) Why was Crier imprisoned? \_\_\_\_\_

9. Why do some parents think their children are safer in jail than in Hobbema?

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10. What kind of work is the task force that was formed after Asia was shot doing to clean up the community?

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11. How is Dennis Green helping Hobbema residents get past their denial of the problems on their reserve?

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12. How does Samson Cree Chief Marvin Yellowbird view the gang problem?

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13. Why does Travis Oglilvie of the Hobbema gang unit call the gang members "terrorists"? Explain his rationale for labelling them in this way.

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14. What is the double meaning behind the expression "it's not your town"? Explain this from the perspective of the gangs and the greater community.

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15. What impact, if any, do gangs have on your community?

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16. What measures do you think are needed to deal with the growth of gangs across Canada?

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# A COMMUNITY FIGHTS GANGS AND GUNS

## Youth Gangs in Canada

What is a youth gang?

For a group to be considered a gang, experts believe it must meet the following criteria:

- The gang must have a name.
- People outside the gang must regard the gang as a distinct group.
- The gang is known to be involved in delinquent or criminal activity.

The Montreal Police Service goes further. They define a youth gang as: “An organized group of adolescents and/or young adults who rely on group intimidation and violence, and commit criminal acts in order to gain power and recognition and/or control certain areas of unlawful activity” (“Youth gangs in Canada: What do we know?” Public Safety Canada, [www.publicsafety.gc.ca](http://www.publicsafety.gc.ca)).

Important gang facts:

- Youth gangs are often referred to as street gangs.
- Police consider the word *youth* to describe people between the ages of 14 and 30 (however, most youth gang members are between the ages of 16 and 18).
- Youth gangs are often involved in low-level crime combined with a high incidence of violent behaviour.
- Youth gangs are active in every province except Newfoundland, PEI, and New Brunswick. There are no known youth gangs in the territories.
- Highest percentage of police jurisdictions reporting youth gang activity: Ontario, Saskatchewan, Manitoba, and British Columbia
- Most youth gang members: Ontario (216 gangs; 3 320 members);

Saskatchewan has the highest proportion of gang members when compared with the provincial population (1 315 members; 1.34 per 1 000 people in the province)

- Number of youth gangs in Canada: 434
- Number of youth gang members: 7 071 (48 per cent of gang members are under 18, and 94 per cent of members are male), making up .02 per cent of the Canadian population
- Most Canadian youth gangs are considered “hybrid” in nature. Canadian gangs tend to be less territorial and ritualistic than their U.S. counterparts. Canadian youth gangs are more likely to have a multi-ethnic membership and come from a variety of socio-economic groups. Aboriginal street gangs are one of the exceptions to this trend.

General composition of Canadian youth gangs:

- African-Canadian/Black – 25 per cent of youth gang members; mostly active in Ontario, Quebec, and Nova Scotia
- Aboriginal/First Nations – 21 per cent of youth gang members; mostly active in Alberta, Manitoba, and Saskatchewan
- Caucasian/White – 12 per cent of youth gang members; active across Canada
- Asian – membership numbers unavailable; mostly active in British Columbia.

Sources: RCMP, “Feature focus 2006: Youth gangs and guns” ([www.rcmp-grc.gc.ca](http://www.rcmp-grc.gc.ca)); Public Safety Canada, “Youth gangs in Canada: What do we know?” ([www.publicsafety.gc.ca](http://www.publicsafety.gc.ca))



# A COMMUNITY FIGHTS GANGS AND GUNS

## *Aboriginal Gangs*

The formation of Aboriginal street gangs has been steadily increasing over the past 30 or so years. Most Aboriginal youth who adopt the gang life come from dysfunctional homes where substance abuse and absentee parenting are the norm. Essentially raising themselves, some Aboriginal youth see the gang life as their only hope if they want to experience any kind of self-worth and personal power within Canadian society. Feeling a sense of disenfranchisement both from their family and greater Canadian society, these youth channel their anger, fear, and loyalty into the gang. With the gang making acceptance conditional on committing criminal acts like theft, assault, and drug dealing, Aboriginal youth assume the gang-member role and become part of their surrogate family—the gang.

Aboriginal street gangs tend to follow the more established U.S. gang model. Whether you are talking about the Indian Posse, Redd Alert, or the Manitoba Warriors, these groups mimic the actions and rituals of the gangs of U.S. cities like Los Angeles. They mark their territory with graffiti and tattoo their bodies with gang symbols that tell the story of their criminal accomplishments. They use certain words and hand signs to communicate messages and to indicate their membership in the gang. They also adopt and wear distinctive clothing that becomes their gang uniform. Many gangs adopt symbols and take on gang-member nicknames. Far from being gang “wannabes,” Aboriginal street-gang members are established criminal groups that are feared by the members of the communities in which they reside.

There are also some distinct characteristics of Aboriginal street gangs. They are homogenous, with an

exclusively First Nations membership. They are involved in low-level criminal activities like drug dealing and theft, with a high propensity for violence, mostly against fellow or rival gang members. While most gangs lure new recruits into their group with rewards and promises, Aboriginal gangs are notorious for “jumping in” a potential recruit, beating the person, sometimes on several different occasions, before admitting them into the gang. This level of internal violence in the recruitment process is somewhat unique to Aboriginal gangs.

Prisons are one of the most important recruiting spots for Aboriginal youth gangs. The incarceration of Aboriginal Canadians is nine times greater than that of their non-Aboriginal counterparts. Constituting just two per cent of Canada’s population, Aboriginals make up almost 20 per cent of the prison population (“Report finds evidence of systemic discrimination against Aboriginal inmates in Canada’s prisons,” [www.oci-bec.gc.ca](http://www.oci-bec.gc.ca)). Imprisoned members of the various Aboriginal gangs promise protection to inmates if they join their gang. One gang, Redd Alert, was formed to ward off the aggressive recruiting of the Alberta and Manitoba Warriors in Western prisons. A self-protective entity at first, Redd Alert has become a criminal enterprise, dealing drugs inside prisons and on the streets, and staking its claim to turf in various communities across the prairies (“An investigation into the formation and recruitment processes of Aboriginal gangs in Western Canada,” [www.publicsafety.gc.ca](http://www.publicsafety.gc.ca)). Aboriginal gangs tend to be the foot soldiers of more sophisticated criminal organizations. They sell the drugs brought into the country by the crime syndicates and

steal property for the crime syndicates to export. In essence, they do the dirty work on the streets that feeds the organized-crime cycle in Canada. In the meantime, they reward their members with money and a sense of belonging. While most gang members only stay in the gang for a year or two, the prospects for Aboriginal youth wanting to leave the gang life are grim. Aboriginal communities consistently endure double the unemployment rate of those of non-Aboriginal Canadians. Along with problems finding work, Aboriginal Canadians have been combatting institutional racism that continues to rear

its ugly head across Canada. The effects of these problems can be measured in the disproportionate number of Aboriginals fighting addictions, and the horrifying number of Aboriginal children in foster care. With this level of dysfunction within the community, it is no wonder that so many young men and women are drawn to a lifestyle that gives voice to their anger and allows them to feel like they are part of a group. This is not to excuse gang members; it is simply to demonstrate that the social conditions in which Aboriginals find themselves need to be taken into account when examining this particular social problem.

### **Inquiry**

1. What factors have contributed to the formation of Aboriginal gangs?

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2. How are Aboriginal gangs similar to their U.S. counterparts?

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3. Describe the process of "jumping in" a gang member.

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4. What points does the article make about the Aboriginal incarceration and unemployment rate?

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5. How do Aboriginal gangs serve the crime syndicates?

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6. What social conditions make it difficult for Aboriginal gang members to leave their gangs?

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7. What suggestions can you make to reduce the high incidence of Aboriginal gangs?

# A COMMUNITY FIGHTS GANGS AND GUNS

## *The Pê Sâkâstêw Healing Lodge*

### Further Research

To learn more about traditional Aboriginal healing methods, visit Turtle Island Native Network at [www.turtleisland.org/healing/healing-wellness.htm](http://www.turtleisland.org/healing/healing-wellness.htm).

In an effort to address the need for a more culturally specific approach to helping Aboriginal Canadians rehabilitate after becoming involved in criminal behaviour, the Correctional Service of Canada ([www.csc-scc.gc.ca](http://www.csc-scc.gc.ca)) constructed eight healing lodges across the country, including the Pê Sâkâstêw Healing Lodge in Hobbema, Alberta. All of the healing lodges strive to embrace Aboriginal traditions in an effort to allow the inmates to reconnect with their roots and find a way out of the criminal justice system and back into society. The Pê Sâkâstêw Healing Lodge is a 40-bed, minimum-security facility that has been serving Aboriginal inmates since 1997.

Counselors at the Pê Sâkâstêw Healing Lodge find they are teaching many Aboriginal inmates their traditions for the first time. Most inmates arrive without a real knowledge of their social, historical, and spiritual roots. The teaching of traditions takes the form of practical participation in Aboriginal rituals in what has been called the “In Search of Your Warrior” (ISYW) program. Pê Sâkâstêw Program Director Sharon Bell explains the rationale behind the program: “ISYW was created to treat traumatic experiences, to heal the scars of abuse, to get rid of the blinding rage and anger that inmates carry deep inside. Some of them, for example, are suffering from the effect that residential schools have had on their lives or on their parents’—residential schools established by the Canadian government that in the past aimed to assimilate Aboriginal people into white society. The scars from abuse and the loss of identity can have a terrible impact on a human being. That is why some of them strongly feel the need to refocus on themselves, to get back in touch with their real selves, to be able to face the future

with hope.”\* So Bell and her staff help inmates to participate in Aboriginal rituals like the cleansing ceremonies known as smudging. In a smudging ceremony, those gathered form a circle. Sweetgrass is burned and carried around the circle. All participants wash themselves in the smoke of the burning grass, drawing the smoke toward them with their hands. After the smudging, inmates take turns holding an eagle’s feather and giving voice to their thoughts and feelings while everyone gathered listens intently. This is just one of 75 healing activities that inmates can take part in at the healing lodge.

There are six units in the Pê Sâkâstêw Healing Lodge. The units are designed to capture some of the main teachings of Aboriginal spirituality. Circular patterns represent influence, unity, and social interaction. If you were to fly over the lodge, each unit is shaped like an eagle, which symbolizes the embracing of life and the effort to ward off evil. The colours used on the outside of each unit represent the all-pervasive presence of the Creator, with red representing the east, yellow representing the south, blue representing the west and white representing the north.

Overall, the Pê Sâkâstêw Healing Lodge provides a unique approach to rehabilitation. It strives to embrace the ideals of Aboriginal spirituality and give the inmates a sense of their own traditions. While people working at the lodge recognize that the program is not a cure for the Aboriginal community’s ills, it does bring hope to a few of the community members who need help the most.

Sources: “Enhancing the role of Aboriginal communities in corrections” by Gina Wilson ([csc-scc.gc.ca](http://csc-scc.gc.ca)); \* “The ‘In Search of Your Warrior’ Program – Identity at the heart of healing” by Djamila Amellal ([csc-scc.gc.ca](http://csc-scc.gc.ca))

## **To Consider**

1. Why did the Correctional Service of Canada build eight healing lodges across the country?
2. In your own words, describe the “In Search of Your Warrior” program.
3. What is a smudging ceremony? How do you think this type of ceremony can help inmates at the healing lodge?
4. Describe how the physical construction of the healing lodge captures some of the main teaching of Aboriginal spirituality.
5. Do you think the healing lodge idea works? Explain your answer.

# A COMMUNITY FIGHTS GANGS AND GUNS

## *Criminal Organizations in Canada*

Often youth street gangs are misidentified by the public and the media. Brian Mellor of the Canadian Research Institute for Law and the Family ([www.ucalgary.ca/~crilf](http://www.ucalgary.ca/~crilf)) and a few of his colleagues put together a way of categorizing groups and gangs. Read the categories below and complete the activity that follows.

### **Group/Gangs**

Type A – Group of Friends: Congregate based on interest; no threat to public safety and usually not involved in criminal activity

Type B – Spontaneous Criminal Activity Group/Gang: Formed for social reasons; criminal activity is motivated by certain situations and occurs spontaneously. For example, a group of teens might decide to vandalize a business or bully someone walking down the street. Technically speaking, this group is not a gang.

Type C – Purposive Group/Gang: A group is formed for a specific criminal purpose, like stealing cars or vigilante violence. Sometimes these groups are created by more established gangs to

complete a certain task (like stealing a number of cars or beating up a rival gang member) and are disbanded after meeting their objective. These groups might also form on their own and stay together until they meet their objective.

Type D – Youth Street Gang: This group participates in profit-driven criminal activity. They have gang names, colours, symbols, preferred clothing, and tattoos that openly demonstrate their gang membership. Sometimes, youth street gangs have ties with larger criminal organizations.

Type E – Structured Criminal Organizations: Highly organized and structured groups that pursue criminal activity for the sake of financial gain. These groups are almost always led by adults who know their way around the law. In some instances, these groups will use youth street gangs (if they can gain their co-operation) to help them make money. The sale of illegal drugs is an example of this kind of co-operation.

Source: Brian Mellor et al. *Youth Gangs in Canada*, Canadian Research Institute for Law and the Family, 2005

### **Activity**

Form a group of four. Discuss the criteria established by Mellor and his colleagues. Focus on the following ideas:

- Can you identify groups that fit into each category? Use movies and TV shows as examples if you need to. You just want to gain a general idea of how the categories work.
- Are there groups in your community that have been misidentified as youth street gangs? Suggest examples.
- Is there a natural progression from one group to the next? For example, are people in a Type B group more likely to move onto a Type C group? Explain your position.
- What problems do Type B – E groups cause for society? Be specific.
- Why do people join each group? Give reasons to support your answer.
- Of which types of groups have you been a member?
- Which groups attract or repel you? Explain.

# A COMMUNITY FIGHTS GANGS AND GUNS

## **Activity: Why do people join gangs?**

### **Part I: Identifying the structure of a gang**

People who join gangs tend to:

- be young and male (94 per cent of gang members are male)
- come from the unemployed or working classes
- come from visible minority groups
- do poorly in school and reject what school has to offer
- feel as if they have no power

Scholars describe this group as the “urban underclass”—a group that was created when the economy shifted from manufacturing to service-oriented activities. For example, many people used to work in factories making things. Many of those jobs have been taken over by developing countries, and now our economy focuses on low-paying service jobs. Many young people looking for work now have to work in low-paying fast-food outlets or retail stores instead of factories and warehouses that pay considerably more money.

#### **Task #1**

Provide a potential explanation for each of the points listed above. For example, why do young men join gangs? How does the emergence of an “urban underclass” contribute to the emergence of gangs?

### **Part II: Identifying the psychological reasons why people join gangs**

People join gangs to meet the following needs:

- Status – to feel like they are good at something
- Identity – to develop a sense of who they are
- Belonging – to feel like they belong to something
- Self-esteem – to feel like they are worth something
- Social – to feel connected with others

#### **Task #2**

Provide specific ways in which gangs allow members to have each of their psychological needs met. For example, how do gang members feel a greater sense of self-esteem just by being a part of the gang?

### **Part III: Identifying the fragility of gang life**

Scholars believe that gangs are unstable; they have few real goals, members tend to stay for a short period of time, and the leadership structure of the gang is always in jeopardy.

#### **Task #3**

Why do you think gangs are so unstable? Provide an answer to this question in five to seven sentences.



# THE PUSH TO GROW MORE FOOD IN CANADA

## Introduction

### Focus

In 2008 rising food prices and food shortages have been international news, and Canadians have recently begun to feel their impact. As a result, many Canadians have begun to pay more attention to their food, especially its sources and its quality. In this *News and Review* module we look at many different aspects of Canadian food and farming—past, present, and future.

### Did you know . . .

The average Canadian meal travels over 4 000 kilometres from producer to table.

Canadians are not really used to worrying about their food. We walk into a supermarket and are surrounded by a variety of products from all over the world. Name the food product, no matter how exotic, and you can find it in almost any major Canadian city.

Compared with many other countries, purchasing the food we eat takes a relatively small portion of our budgets. Canadians pay only 12 per cent of their national income for food. In the 1950s it was close to 25 per cent. We have lots of food—and the obesity levels to prove it.

Recently, however, food prices around the world have been soaring. Developing nations are placing increasing pressure on several commodities. Drought and natural disasters have played havoc with some staple crops. Price increases of fossil fuels—especially oil—have forced up the cost of fertilizers and transportation. In some countries, particularly China, food products have been adulterated with dangerous substances to reduce production costs.

To a certain extent, thanks to a strong dollar, Canadian consumers have been spared the levels of price increases seen in other parts of the world. But with the current financial crisis and the dollar's decline, Canadians will soon be seeing significant increases in the cost of almost everything they eat. The end of the era of cheap food, expected to be world-wide, will not spare Canada.

The problem for Canadians will likely be compounded by the fact that we have, to a large extent, stopped growing our own food. Countrywide, no more than 40 per cent of the food we eat is grown in Canada. Even in many areas with the best farmland in the country, like Southern Ontario, the majority of the

food sold there comes from somewhere else. For Canadians who worry about our food security, this is a disturbing trend.

A big reason why farming has declined in Canada is the inability of farmers to earn a living on their land. The recent census revealed some interesting statistics. In 2006, 37 per cent of farmers earned receipts of under \$25 000; of these, 76 per cent did not earn enough to cover their expenses.

In Canada, as elsewhere, farming has become an activity largely done on an industrial scale. So-called factory farms produce the bulk of what we eat. Raising as much as possible as cheaply as possible—an example of the economy of scale—is the operational philosophy of corporate farming. Every year, more and more farmland comes under corporate ownership.

As world population increases, the competition for food will also increase. International investors are betting on this by purchasing farmland everywhere they can—especially in the U.S., Britain, South America, and southern Africa. Currently, foreign ownership rules prevent investment funds from doing the same in the western part of Canada. But the same is not true in Ontario and elsewhere. The food system in Canada is clearly under pressure—and this pressure is likely to increase.

### Signs of Change

It is heartening to report, however, that Canadians are showing a greater interest in the food they eat. Two movements in particular have raised awareness of both the quality and availability of Canadian food.

The first of these is the organic food movement, which promotes foods that

**Did you know...**

Sales of organic foods have been growing at a significant rate over the last decade—about 20 per cent per year in both Canada and the U.S. But *The New York Times* (November 1, 2008) reports that, at least in the U.S., recent financial events are having an impact. Many consumers report that they are cutting back on organic purchases because the prices of those products are higher than those grown on conventional farms.

are free of chemical additives: pesticides, chemical fertilizers and, in the case of animals, antibiotics and growth hormones. Organic food fanciers seek out products that are raised as naturally as possible. Until recently, organic foods were found only in health-food stores and farmers' markets. Today, supermarkets carry extensive selections of organic fruits and vegetables, meats, and processed foods. While food may be grown organically anywhere, local organics come with an inspection guarantee that many consumers find especially comforting.

The second movement is local food. Its adherents, locavores, try to purchase as many of the foods they eat as

possible from local sources. Not only do locavores believe that local food tastes better, they also feel they are benefiting the local economy. Equally important to them is their ecological contribution—fewer greenhouse gases are the result of the decrease in fuel required to bring local foods to market.

Organics and local foods have combined to place a renewed emphasis on traditional farming practices and the value of locally produced foods. While usually more expensive than products from mainstream farming, they represent an ever-increasing share of the Canadian food dollar. They also serve to raise awareness of the things we lose when we leave our food supply in the hands of strangers.

**For Discussion**

In the U.S., the local and organic food movements have actually led to an increase in the number of small farms for the first time in over a century. Given the trend to ever-larger farm properties in Canada, do you think the same thing could happen here? Who are the people most likely to start (and continue) small-scale local farming? Can you cite examples of small farms in your community or the surrounding area?

# THE PUSH TO GROW MORE FOOD IN CANADA

## Video Review

### Further Research

To see how a local farmers' market operates in the Waterloo, Ontario, region, visit the Web site of the St. Jacob's Ontario farmers' market at [www.stjacobs.com/html/shopping-farmersmarkets.html](http://www.stjacobs.com/html/shopping-farmersmarkets.html). What farmers' markets are open in your area?

Answer the questions in the spaces provided.

1. When did some Canadians first become concerned about the loss of Canadian farmland to development? \_\_\_\_\_
2. Why has it been possible for food from distant sources to be brought to Canadian consumers?  
\_\_\_\_\_
3. On average, how far does food travel to reach stores in Waterloo, Ontario?  
\_\_\_\_\_
4. What percentage of food sold in Ontario markets was produced in that province during the 1970s and 1980s? \_\_\_\_\_%  
What percentage is produced there now? \_\_\_\_\_%
5. Why does Thomas Homer-Dixon say the era of cheap food is coming to an end?  
\_\_\_\_\_  
\_\_\_\_\_
6. What development has led to the loss of millions of hectares of Canadian farmland?  
\_\_\_\_\_
7. If Canada can grow excellent garlic, why does most of the garlic sold in Canada come from China?  
\_\_\_\_\_  
\_\_\_\_\_
8. Why do farmers believe they can now supply local food almost year-round?  
\_\_\_\_\_
9. What adjustments might consumers have to make if they want to buy local food?  
\_\_\_\_\_  
\_\_\_\_\_
10. What does Steve Martin believe might "level the playing field" for Canadian farm produce versus foreign produce?  
\_\_\_\_\_  
\_\_\_\_\_



# THE PUSH TO GROW MORE FOOD IN CANADA

## *The Rising Price of Food*

The first major warning came in April 2008.

The price of a tonne of rice, reasonably consistent at under \$600 per tonne, suddenly reached \$760 and was poised to climb even higher. For about three billion people, the price of their staple food had increased dramatically. Many who already made do with little would have to make do with even less.

But rice was not the only staple to rise in price. Corn prices were at a 12-year high. Wheat prices were 90 per cent higher than they had been in 2007.

As Michael Polan wrote in *The New York Times Magazine* (October 9, 2008): “With a suddenness that has taken us all by surprise, the era of cheap and abundant food appears to be drawing to a close.” Describing “the health of a nation’s food system” as “a critical issue of national security,” Polan calls for the next U.S. president to make the revamping of the nation’s food system a priority.

### **Many Factors**

A number of different factors have contributed to the recent rise in food prices. Some of these are temporary; others are more likely to have a permanent effect.

A number of poor harvests affected some crops. Bangladesh lost a large portion of its rice crop to monsoons. Drought in Australia reduced its wheat production. These conditions are unlikely to be permanent—Australia already seems to be recovering from its drought—but their interim effect has been devastating in developing nations.

More permanent will be the effect of prosperity in newly developing countries with large populations such as China and

India. More than two billion people will soon be demanding—and will have the ability to pay for—foods traditionally part of the diet of wealthier countries. China, in particular, has seen the consumption of meat increase one and one-half times since 1980. Pork prices alone have risen by two-thirds in the last year.

The steep increase in the cost of fossil fuels has also contributed to price increases. Cheap energy created the international food market. Writes Michael Polan: “More recently, cheap energy has underwritten a globalized food economy in which it makes (or rather, made) economic sense to catch salmon in Alaska, ship it to China to be filleted and then ship the fillets back to California to be eaten; or one in which California and Mexico can profitably swap tomatoes back and forth across the border; or Denmark and the United States can trade sugar cookies across the Atlantic. About that particular swap the economist Herman Daly once quipped, ‘Exchanging recipes would surely be more efficient.’”

Fossil fuels not only make it possible to move food from distant farms to local tables, they also provide the fertilizers that the vast majority of farms use to make that food grow. As the price of a barrel of oil has risen, the price of fertilizer has soared.

The North American food system is especially hungry for fossil fuels. It is second only to automobiles in the amount of fuel it consumes. The food system accounts for 19 per cent of the energy we use. According to most experts, it also contributes more greenhouse gases to the atmosphere than any other human activity.

Another factor—though one less important than some critics first feared—has been the demand, especially in the U.S., for biofuels. More food crops are being diverted to create fuel for trucks and automobiles, leading to increases in the price of some products, such as corn. Most experts now believe, however, that this has had a much smaller impact on food prices than the other factors we have listed.

### **Dramatic Price Increases**

Prices for food in the developed world have also been impacted. The European Union ([http://europa.eu/index\\_en.htm](http://europa.eu/index_en.htm)), blaming weak harvests and a higher demand in developing countries, reported food-price increases of 7.1 per cent from April 2007 to April 2008 (the overall inflation rate during the same period was only 3.6 per cent). Dairy prices were up 14.9 per cent, cooking oils 13.2 per cent, and breads and cereals 10.7 per cent. In the United States, grocery prices rose just under six per cent.

### **Canadian Food Prices**

Canada imports a great deal of food, and one would expect that it would have seen equally dramatic increases in the price of groceries. However, the value of the Canadian dollar against the U.S. dollar rose considerably in early 2008, and this served to protect Canadian consumers from a steep rise in food prices.

Statistics Canada ([www.statcan.ca](http://www.statcan.ca)) reported that Canadian food prices rose only 1.9 per cent in May 2008 over prices in May 2007. Statistics Canada blamed almost all of the increase on rising transportation costs, while attributing higher bread prices to world-wide increases in the price of wheat.

The recent rapid decline in the value of the Canadian dollar has led many experts to predict that Canada will soon see price increases similar to those in Europe and the U.S.

### **Inquiry**

1. What food staples increased dramatically in price in 2007?

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2. List the major factors that affect the cost of food.

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3. In your view which factor is most important? Why?

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4. How does your family respond to increases in the cost of foods that you usually eat?

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# THE PUSH TO GROW MORE FOOD IN CANADA

## *The Organic Food Movement*

**Further Research:**  
Excellent information on the Canadian organic foods sector is available from the CBC at [www.cbc.ca/consumers/market/files/food/organics/](http://www.cbc.ca/consumers/market/files/food/organics/).

There can be no doubt that the biggest revolution in the way Canadians eat is a result of the sheer availability of food—large amounts at reasonable prices brought in from all over the world. But the lack of information about that food—who raised it; what pesticides, antibiotics and preservatives were used; was it genetically modified; has it been irradiated—raises a number of questions and concerns for consumers.

The result of that concern has been a rapid increase in Canada of the organic food industry. Organic foods are foods grown without antibiotics, artificial fertilizers, and artificial pesticides. Organic farming in Canada now results in sales of at least \$1-billion per year. Sales of organic foods are growing at a rate of about 20 per cent annually.

Organic foods are still only a small part of the food sold by supermarkets, although the larger chains are devoting more and more shelf space to organic product lines. They are also more popular in some parts of the country than in others. British Columbia, for example, has only 13 per cent of Canada's population, but accounts for 26 per cent of the sales of organic foods.

### **Becoming an Organic Producer**

To be declared officially organic, a farm must operate as organic for three years. This action ensures that residual chemicals and antibiotic medications are cleaned out before the food is offered as organic for public sale.

During that three-year period, no matter what they are raising, farmers will likely see their production drop. But some of their costs will also drop. Chemical pesticides and artificial fertilizers need no longer be purchased. Animals no longer will be given

antibiotics, and associated veterinary costs will also decline.

Once certified, growers pay a fee of several hundred dollars per year to maintain that certification. The money is used to finance the inspectors who regularly visit the farms to ensure that all standards are being met.

The University of Guelph (Ontario) has studied the economics of going organic for dairy farmers and has determined that it is indeed economically viable for them to do so. During the three years it takes to achieve certification, milk production will decline somewhat. But because there are no longer expenses for chemicals, farmers save about \$1 900 per cow. Veterinary costs, on the whole, decline by 50 per cent.

Once they have achieved organic status, the payoff for these farmers is real. The dairy industry estimates that the demand for organic milk is growing at a rate of 25 per cent per year. It is expected that, because so much milk is consumed by young children, this rate of growth in demand can only increase.

### **Choosing Organic Foods**

For the consumer, there are now estimated to be over 2 500 organic products available for sale in Canada. Most are sold at a premium over the price of conventionally raised foods—although that premium is, in some cases, declining. How does a cost-conscious consumer choose those organic foods that likely have the highest impact on an individual's health?

U.S. pediatrician Alan Greene is a leading exponent of the virtues of organic eating. He is the author of a very successful book, *Raising Baby Green*. He also maintains a Web site ([www.drgreene.org](http://www.drgreene.org)) where he dispenses

information on family health, including advice to those interested in organic foods.

On the site, Greene has listed 10 foods he believes are the most important for individuals to choose to purchase as organics ([www.drgreene.com/555560.html](http://www.drgreene.com/555560.html)). His top five include:

- Milk. Greene especially approves of organic milk because it comes from cows that live in a completely organic ecosystem—everything they eat has to be raised organically. Its relative freedom from pesticides and antibiotics is a bonus.
- Potatoes. Potatoes are one of the staples of the North American diet (think French fries). One study has shown that up to 87 per cent of non-organic potatoes contain residual pesticides, even after being washed and peeled.
- Peanut Butter. Organic peanut butter contains none of the ingredients like

additional sugars and fats that are part of conventional peanut butter. Organic peanuts have also not been treated with the fungicides that are used on most peanut farms.

- Baby Foods. Children from birth to age three are most vulnerable to the chemicals used in pesticides and chemical fertilizers. Studies are indicating that exposure to some chemicals can lead to reduced intelligence and developmental delay. Organic eating may help avoid these conditions.
- Catsup (Ketchup). This may come as a big surprise, but the amount of catsup in the North American diet, especially for children, is enormous, providing a significant part of their vegetable intake. Studies have shown that organic catsup is significantly higher in antioxidants and nutrients than conventional catsup.

### **Follow-up Activity**

Go to Greene's Web site ([www.drgreene.com/555560.html](http://www.drgreene.com/555560.html)) and check out the other five items on his top-10 list of organic foods. Take the list to your local food store or supermarket. Identify how many of the foods on the list are available as organics.

Where possible, do a price comparison. Are the organic foods moderately or significantly more expensive than the mainstream varieties? Would your family be willing to pay the extra price? Explain.

# THE PUSH TO GROW MORE FOOD IN CANADA

## **Canadian Cuisine**

### **Archives**

To investigate audio-visual materials related to Canadian foods, consider a visit to the CBC Digital Archives at [www.cbc.ca/archives](http://www.cbc.ca/archives) and explore the file "A taste of Canada: Our homegrown cuisine."

Defining Canadian cuisine is not easy. Cooking in Canada has changed enormously over the years, influenced by every wave of immigrants that has come to the country. Internationally, Canadian chefs are often recognized as experts in fusion cuisine. They bring together ingredients drawn from the cooking of many different countries and combine them in new, interesting, and delicious ways.

As early as 1997, *The New York Times* (June 1, 1997), describing the cuisine found in Toronto restaurants, wrote: "It is rare to find a chef in Toronto who does not embrace the East to some degree, adding ginger or hoisin sauce to an array of dishes, while also dabbling in Mexican spices, Italian herbs, fresh California notions, and classic French dishes."

But are there foods that one can immediately identify as Canadian?

### **Canadian Ingredients**

Many food experts have tried to identify the ingredients that make Canadian cuisine unique. One of these, Anita Stewart, did so in her book *Anita Stewart's Canada: The Food, the Recipes, the Stories*. Stewart begins with maple syrup and corn, two indigenous foods that still define the way Canadians eat. She devotes an entire chapter to salmon, which was an essential part of many Aboriginal diets and is now farmed on both the east and west coasts. There are chapters on fish and shellfish; various meats—including bison and venison—and grains, especially wheat. Finally, she discusses foods of which Canada has become a leading producer, including canola and soybeans.

But Stewart also makes the point that, while these are essential Canadian ingredients, Canadian cuisine is really what is cooked in Canadian home kitchens. Home cooking has been influenced by traditions and techniques from around the world, and these have been adapted to make use of local ingredients.

### **Regional Cuisines**

Sysco Canada, a leading provider to the food service industry, publishes an online newsletter for its customers. In the September 2004 issue ([www.sysco.ca/canada/todayarticle.cfm?id=4618](http://www.sysco.ca/canada/todayarticle.cfm?id=4618)) writer Patricia Nicholson asks the question, "What is Canadian cuisine?" Her answer comes from Don Monsour, chair of product development for the Canadian Tourism Commission. Nicholson writes:

"There isn't one cuisine for the whole country,' Monsour says. Instead, the cuisines of Canada are diverse, regional, fresh, local, and linked to the culture and history of the individual regions, he says. They are borne of the rich palette of ingredients and traditions from coast to coast."

Nicholson goes on to give examples of specialties from across the country. Included are seafood from the Maritimes, cheeses from Quebec, ice wines from Ontario, bison and pickerel from the Prairies, and salmon from British Columbia.

### **Location, Location, Location**

Michael Smith, one of Canada's leading chefs, has a take on Canadian cuisine that combines all of these ideas. According to an interview Smith had with the CBC ([www.cbc.ca/news/background/consumers/canada-cuisine](http://www.cbc.ca/news/background/consumers/canada-cuisine)).

**Did you know . . .**  
Critics of genetically modified foods refer to these foods as “ Frankenfoods.”

html), “defining Canadian cuisine can be as easy as asking cooks from coast to coast to coast: What do you eat? What’d you have for dinner last night?”

Smith believes that one of the “coolest” things about Canadian cuisine is the variety of ethnic influences that have changed the way in which chefs cook. But he believes that the style of cooking is much less important than what is being cooked.

“As long as we’re staying true to the basic idea [that] we’re cooking with what’s around us—with what’s in our backyard, seasonally and regionally—that’s Canadian cuisine.

“Fifteen years ago, very few chefs would have identified themselves as Canadian first. Today, that’s a badge of honour. Every city in the country, we

have chefs that are proudly waving the flag and proudly building their menus around seasonal, regional products.”

Smith is absolutely convinced that a revolution in cooking is about to take place. He believes that all cooks—home cooks as well as restaurant chefs—are becoming far more interested in local foods. Concerned about where and how their food is produced, as well as what’s in it, they are reconnecting with local producers.

And this does seem to be the case. Across North America, farmers’ markets have become more popular than ever before. And more and more supermarkets now stock local produce and clearly identify it as such. Local food seems poised to join organic food as a major player in the Canadian food industry.

## For Discussion

1. Are there foods that are unique or particular to your part of the country? Fiddleheads, for example, are popular in the Maritimes, but almost unknown in many other provinces. And a product as common as butter can differ from one part of the country to the other. In most major cities unsalted butter is a common purchase; in the Maritimes, butter “with extra salt” is far more common than unsalted.
2. If you had to put together the perfect Canadian meal, what would you include in it? Do you think Canadians your age in other parts of the country would create a similar meal? Explain. What is your favourite “Canadian” food?

# THE PUSH TO GROW MORE FOOD IN CANADA

## *The 100-Mile Diet*

### Quote

"Eating locally is more than just about the food," says David Connell, assistant professor at the University of Northern British Columbia's School of Environmental Planning. "It's a connection to where people live, a connection to one's place in the world, and it's a vital component in the concept of community and our need for intimate connection" ([www.cbc.ca/news/background/consumers/holiday-feasts.html](http://www.cbc.ca/news/background/consumers/holiday-feasts.html)).

The 100-Mile Diet (the Canadian version being the 160-Kilometre Diet) is an attempt to eat—year-round—only foods that have been grown and produced within a 100-mile radius of the eater's home. It has become somewhat notorious thanks to a book by two Canadians: Alisa Smith and J.B. MacKinnon. They spent a full year eating only foods that had been grown within 160 kilometres of their home in Vancouver. The book (*The 100-Mile Diet* – [www.100milediet.org](http://www.100milediet.org)) has become a Canadian bestseller.

The challenge for Smith and MacKinnon was significant, especially in winter months, when the variety of foods was extremely limited. Few who have read the book would be prepared to repeat the experiment. Nevertheless, the authors did prove that it is possible to subsist on only local foods. They also make a convincing argument that, for much of the year, local food is the best available choice.

### The Local Food Movement

The 100-Mile Diet is one part of the local food movement that has probably replaced organic food as the hot topic for those interested in improving their current food choices. The movement has even coined a word—*locavore*—for those who eat only locally produced food. The movement is trendy enough that the *New Oxford American Dictionary* chose *locavore* as the word of the year for 2007.

The movement has already claimed some major successes, especially in the U.S. Thanks largely to the market for local food, the number of small farms in the U.S. has increased by 20 per cent over the last six years. Until then, small farms had been declining for more than a century.

U.S. state and local governments have been actively sponsoring the movement. Currently, about 1 200 school districts have joined with local farmers to provide fresh fruit and vegetables to students. Colleges and universities in some states are restricting their food purchases to their own state's suppliers. County governments are mandating that their food service suppliers for county institutions buy from local farmers.

While changes in Canada have been less dramatic, Canadian interest in local food is increasing. A recent survey of 1 350 Canadians found that 17 per cent of them had begun making changes in their diets because of recent global food issues. That 17 per cent was eating far more locally produced fruits and vegetables.

For many, the attractions of local food are self-evident. They include:

- Fresher and better-tasting food
- Environmental responsibility in the form of a lower carbon footprint in travelling from producer to the table
- Greater food security; less reliance on distant food supplies
- A significant financial contribution to local farmers and the local economy

### Local Food Marketing

Finding local foods can be challenging. Supermarket chains, which maintain centralized ordering and inventory, are often reluctant to deal with local suppliers. The majority of Canadians still do the bulk of their grocery shopping from these stores.

But there are signs of change. More farmers' markets are appearing in towns and cities across Canada. While not all farmers are willing or able to make a regular trek to a market, some are

forming co-operatives to bring their food to the consumer. In some cases, the co-operatives are large enough that they can supply the needs of a local supermarket chain.

One of the more interesting developments is the community-supported agricultural organization, or CSA. Members of a CSA pay a local farmer up front for a weekly supply of produce during the harvest season. Most CSAs supply only vegetables; others may include eggs, meat, and baked goods. The process is a bit like a lottery; the type and quantity of produce depends on the quality of the growing season.

### **For Discussion**

For many Canadians, the ultimate local food is corn on the cob. They only buy it when it is in season, and they only buy particular varieties sold by their favourite suppliers. Does your family have other foods that it will only purchase locally and in season? Are there other foods it purchases year-round, but clearly prefers when locally available in season?

### **Caution Is Required**

It is important to remember that just because food is produced locally does not mean it is better for you. In many parts of the country one can find food that has been produced nearby, but on industrial farms with artificial fertilizers and chemical pesticides. Locally raised animals may have been raised in inhumane conditions and treated with doses of antibiotics and growth hormones. Local does not mean organic.

The key to the local food movement is the direct connection between farmer and consumer. True locavores know exactly what they are eating, precisely where it came from, and the way it was raised.

# THE PUSH TO GROW MORE FOOD IN CANADA

## **Activity:** *Where does my food come from?*

Do you know where the food you eat comes from? If not, here's your chance to find out how much is locally produced and how much is making a lengthy trip from somewhere else. For some of this activity you may need to check with the person who physically purchases your family's food. If you eat lunch in a school cafeteria, you will likely have to talk to the cafeteria manager.

On a day of your choosing (school day or weekend), review all of your meals and try to identify the source of each of the foods you eat. On a sheet of paper, keep a list for each meal (breakfast, lunch, supper, snacks) and identify each food and its source. For example:

Meal	Food	Source
Breakfast	Orange juice	Florida (U.S.)
	Fibre First Cereal	Montreal (Canada)
	Milk	Miramichi, NB (Canada)
	Blueberries	Oak Bay, NB (Canada)
	Granny Smith Apple	U.S.

At the end of the day, analyze your list to determine how much of your food is produced locally (at least within your home province), within Canada, or in other countries. You may use the chart below to organize your information.

Meal	Food	Source
Breakfast		
Lunch		
Supper		
Snacks		

Identify any changes your family could make to source more of their foods locally. The person in the example above could easily buy apples that had been produced in Canada, and probably in the Maritimes, where he lives. He might also consider substituting a local product, like cranberry juice, for his Florida orange juice. Keep a list of any substitutions that you might make.

### **To Consider**

Would you be willing to make those substitutions? Would other members of your family be willing to do so? If not, why not?

# News in Review Index

A list of the stories covered last season and to date in the current season is provided below.

The complete chronological index for all 18 seasons of *News in Review*, and a subject-oriented index listing *News in Review* stories appropriate for various subject areas can be accessed through our Web site at [www.cbc.ca/newsinreview](http://www.cbc.ca/newsinreview). Hard copies of these indexes can also be obtained by contacting CBC Learning.

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The Seven Wonders of Canada  
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Boom Times in Saskatchewan

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